

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT IN THE NEW ORLEANS REGION



PREPARED FOR THE LOUISIANA SENATE IN RESPONSE TO SENATE RESOLUTION 114

BY:
THE NEW ORLEANS REGIONAL TASK FORCE
ON ECONOMIC DEVELOPMENT AND HEALTH WORKFORCE TRAINING

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EXECUTIVE SUMMARY



Executive Summary

In the 2003 regular session, the Louisiana Senate adopted Senate Resolution 114 to look into the critical shortage of skilled nurses and allied healthcare workers in the New Orleans region, which is documented to be over 7,000 job vacancies. Like many other states, Louisiana is grappling with a critical shortage of skilled nurses and allied healthcare workers, a shortage that affects the health, productivity and general well-being of Louisiana's residents. The shortage in Louisiana represents a startling loss of economic development opportunities as well-paying jobs in the healthcare industry go unfilled. Also, emerging bio-scientific industries pass Louisiana by partly because the state currently cannot offer them an adequate number of suitably trained workers necessary to pursue clinical trials or commercial ventures.

SR 114 focused on the New Orleans region, which has the greatest number of healthcare facilities as well as the greatest concentration of institutions that train different disciplines of the healthcare labor force. The region has a sophisticated cluster of business, academia, and government entities related to health care. Indeed, nearly 70 percent of the state's vacancies in healthcare jobs are in the New Orleans region,



representing significant lost income and opportunities. Furthermore, the active research and development in the life sciences housed in New Orleans institutions and in the emerging downtown biotechnology complex would provide more jobs in the future, were the workforce prepared to take them.

The Resolution formed the New Orleans Regional Task Force on Economic Development and Health Workforce Training, charging it to plan and implement regional initiatives to meet healthcare employment needs and to promote economic growth and jobs in the healthcare industry. The Task Force identified 11 parishes to define the region. This document presents the work of the Task Force and offers ten bold recommendations to be implemented through an aggressive five-year plan.

EXECUTIVE SUMMARY



At the end of five years, with an investment of \$25,275,000 in programmatic funds, the pragmatic strategies of the SR 114 Task Force will have set in place the soft infrastructure necessary to realize an estimated 3:1 return on investment. In addition, by completing a careful capital improvements program of approximately \$60,000,000, the state will ensure the adequate hard infrastructure to accommodate the region's expanded enrollment and state-of-the art teaching facilities.

Projecting beyond the initial five years... the \$353,000,000 payroll impact of filling current vacancies and new jobs can be realized yielding a greater return.

This is an important factor in attracting students and researchers and retaining faculty, as well as readying the region for economic benefits stemming from research-intensive life sciences industries. Projecting beyond the initial five years, if the proposed program efforts continue to be sustained, capital projects are completed, and the market grows as expected, the \$353,000,000 payroll impact of filling current vacancies and new jobs can be realized yielding a greater return.

In summary, the Task Force is asking the State to allocate \$25,275,000 for programmatic efforts and to anticipate about \$60 million in capital costs over the next five years. The Task Force unanimously agrees that to maximize success, ALL of the recommendations must be initiated as partial funding could jeopardize overall impact. Our vision is to create the conditions necessary for the New Orleans region to be nationally recognized as a premier place to study for the healthcare professions, and a great place to work and to stay. By careful attention to recruitment and retention, the Task Force means to ensure that young people and adults realize career possibilities, and once they embark on a career in the region, they will find sufficient job satisfaction and opportunity to stay.

Finally, the Task Force volunteers to continue meeting, with staff assistance, to implement the SR114 plan, oversee progress and be accountable for the results through this collaborative effort.



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Report and Recommendations

In the 2003 regular session, the Louisiana Senate adopted Senate Resolution 114¹ (SR114) to look into the critical shortage of skilled nurses and allied healthcare² workers in the New Orleans region, which is documented to be over 7,000³ job vacancies. Like many other states, Louisiana is grappling with a critical shortage of healthcare workers, especially skilled nurses and allied health workers. This shortage affects the health, productivity and general well-being of Louisiana's residents and places stress on employers that are understaffed. The shortage in Louisiana represents a startling loss of economic development opportunities as well-paying jobs in the healthcare industry go unfilled. Also, emerging bio-scientific industries pass Louisiana by partly because the state currently cannot offer them an adequate number of suitably trained workers necessary to pursue clinical trials or commercial ventures.

The State had previously turned its attention to the economic opportunities represented in the shortage of healthcare workers, creating in 2002 the Louisiana Health Works Commission to collaborate resources throughout the state relative to health care workforce development. The Commission's initial report⁴ is an important



resource for Louisiana and provides a thorough review of the magnitude and effects of the healthcare workforce shortage, a wide-ranging discussion of the multiple causes of that shortage, as well as a wide set of recommendations that would ultimately increase the number of health care workers.

SR 114 focused on the New Orleans region⁵, which has the greatest number of healthcare facilities and a large number of healthcare workers as well as the greatest concentration of institutions that train different components

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of the healthcare labor force. That is, the region has a sophisticated cluster of business, academia, and industry related to health care. Indeed, nearly 70 percent of the state's vacancies in healthcare jobs are in the New Orleans area, representing significant lost income to the region and opportunities for individuals. Furthermore, the very active research and development in the life sciences housed in New Orleans area educational and medical institutions, combined with the emerging downtown biotechnology complex would provide many more jobs in the future, were the workforce prepared to take them.

The Resolution formed the New Orleans Regional Task Force on Economic Development and Health Workforce Training, charging it to plan and implement regional initiatives to meet healthcare employment needs and to promote economic growth and jobs in the healthcare industry. As outlined in the Senate Resolution, the Task Force is comprised of individuals representing government and public and private institutions in the healthcare industry cluster. A list of entities specified in the resolution and the corresponding Task Force representative from each entity can be found in the appendices section of this full report. The combined knowledge has allowed the Task Force to create a strategy that embraces all factors that could contribute first, to steadily reducing the vacancies in the nursing and allied health sectors and second, to initiating a long-term approach for strengthening and sustaining the region's ability to attract and grow Louisiana-based businesses that are emerging from research in cancer causes and cures, gene therapy and other biotechnology fields.



The Task Force identified 11 parishes to define the region and has built upon state-level findings of the Louisiana Health Works Commission. With this New Orleans region report, the Task Force makes a very specific contribution to the job vacancy and workforce shortage issue by quantifying economic losses that result from the job vacancies and determining a definitive course of action to increase the supply of nurses and allied health workers, and to retain them in their jobs.

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The economic development opportunities that follow from taking an active interest in the healthcare workforce is summarized in the Regional Demand Data Matrix⁶, which appears as Exhibit A at the end of this section. This matrix shows the vacancies in nursing and allied healthcare professions in the state and in the New Orleans region. The SR 114 Task Force estimates the related lost payroll in and around New Orleans to be nearly **\$270,000,000**. In addition, using the Louisiana Department of Labor's projections for additional employees needed by the year 2009, the payroll impact could be increased by an additional **\$83,000,000**.

The recommendations from this Task Force have an economic development focus and if sustained long-term, could result in jobs with a payroll impact worth \$353,000,000.

The solution is simple to state: we need to expand the student enrollment capacity of the region's schools, we need more faculty to educate people for careers in nursing or allied health fields and we must create a work environment that entices graduates and faculty to stay and work in the New Orleans region.

Focusing efforts in the New Orleans region is sensible because so many educational programs for these professions already exist, and simply need to be enhanced. The array of training opportunities⁷ in the region appears in Exhibit B, the Regional

Supply of Educational Facilities Matrix. The education institutions in the region offer 44 programs to train nurses and allied healthcare workers, with more than 1,500 students graduating from these programs in the 2002/2003 academic year, and 4,100 total enrolled as of October 1, 2003. Another 1,346 qualified applicants were turned away due to program capacity constraints. All these figures from the Regional Supply Matrix demonstrate that effective action by the state legislature, joined with cooperative institutional support, will build upon a successful set of programs and accommodate more enrollment to rapidly educate residents for available jobs.

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The solution supports the vision of *Louisiana: Vision 2020*, the state's master plan for economic development⁸. The approach goes straight to the heart of the industry cluster economic development strategy that the state has implemented. Industry clusters are networks of compatible or competitive inter-related companies working together to strengthen the industry market. Industry clusters create a commercial magnet that attracts customers, investment, a skilled workforce and a specialized infrastructure. Building effective relationships with educational entities is a critical component of a successful industry cluster. Through the work of MetroVision, now known as Greater New Orleans, Inc., the life sciences industry has been identified as one of the industry clusters for the area that has some existing



strength. Greater New Orleans, Inc. focuses on encouraging growth and economic opportunities in this cluster.⁹ The life sciences industry, which is based on biological knowledge and research, is one of the most technology-intensive industries in the world. The industry is driven by major and continuous investments in research and development, a statement corroborated by the fact that research and development investments in the year 2001 totaled more than \$15 billion.¹⁰

The Task Force believes that if Louisiana invests in the region's existing healthcare focused educational entities we can fill many of the existing (and projected) vacant jobs necessary to care for Louisianans. The Task Force also believes that this investment is crucial for helping to secure our future by providing the necessary core workforce of nurses and allied health professionals to support the bio-scientific research, development and commercialization activities that are presently going on in downtown New Orleans.

Taking this simple premise, which clearly has many complicated and sophisticated aspects, the Task Force divided the focus by distributing the work among four interlocking action teams: Healthcare Industry Employer Perspective, Healthcare

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Education Perspective, Retention & Recruitment of Healthcare Workforce, and Funding and Economic Impact.¹¹ Each action team provided additional data and clarified the intricate issues they engaged.



By combining the insights provided by each team, the Task Force created a flow chart of the steps necessary to increase the size of the nursing and allied health workforce. From this simple graphic, which appears as Exhibit C, the Task Force identified the points of most effective intervention, i.e., where actions by the Louisiana Legislature and by the interested institutions could make the most difference. Clearly, the critical point in the flowchart is building and maintaining an adequate supply of capable faculty, a statement corroborated by the 1,300 qualified applicants who were denied admission to courses in nursing and allied healthcare primarily *because of faculty shortages* (see Exhibit B). The flowchart also allows us to see where additional work is required, and where continuing coordination by the Task Force is necessary to be certain the steps it is recommending are carried out effectively – or adjusted depending upon experience and over time.

Our vision is the essence of economic development: to create the conditions necessary to make the New Orleans region a premier place to study for careers in nursing and allied health, and a great place for people with these skills to work. In essence, we want to strengthen and expand a healthcare training and work environment that entices people to stay and work in the New Orleans region.

With this document, the Task Force is recommending a pragmatic series of steps that over the next five years will provide additional faculty in nursing and allied health, which in turn will address the current problem of qualified applicants for education in these fields being turned away. By increasing enrollment of qualified applicants in nursing and allied health programs

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and enlarging the pool of trained professionals ready to enter the marketplace, the region will finally fill many of the existing job vacancies in these careers -- and will be able to meet projected future demand.



In addition, the Task Force is recommending pragmatic steps for assisting the transformation of the New Orleans region into a nationally recognized center for education in nursing and allied healthcare, as well as a nationally recognized center for life sciences research and development. We insist on the word pragmatic because our recommendations build upon resources *that already exist in the New Orleans region*.

Based upon the 7,000 regional job vacancies identified in the Regional Demand Matrix (see Exhibit A), the Task Force has set a realistic five year goal of setting in place the infrastructure that will enable institutions to increase enrollment by 550 students annually thereby filling 25 percent of the job vacancies in nursing, and close to 75 percent of the job vacancies in allied healthcare with new graduates: meaning 1,750 individuals. **The total salary impact of filling these vacant jobs is over \$73,000,000, based on 2003 average salary data** (see Exhibit A).

However, there are practical limitations to how quickly these recommendations can be effected. Ideally, we would like to achieve our goal of producing 1,750

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graduates in five years by enrolling 1/5 (one fifth) of the total each year. This cannot happen immediately, quite frankly because of budgetary limitations,

the shortage of qualified faculty and associated factors that affect speed and magnitude of ramp-up at the teaching institutions. For this reason, the Task Force has developed a pragmatic five-year plan, which makes progress toward our goals in a steady, reliable manner.

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At the end of five years, these suggestions will have enabled the New Orleans region to have enrolled 1,750 additional students above current capacity, of which 1,200 will have graduated and the remaining 550 students will be beginning their final year of study. Beginning in year six, if enrollment, Task Force recommendations and funding are sustained, the region will have sufficient infrastructure to enroll 550 new students each year and produce 3,400 graduates within eight years. This figure will fill half of existing job vacancies and prepare a workforce adequate for projected future demand. Ideally, we would like to fill all 7,000 positions with new graduates, but realistically only about half of the positions are available to new graduates with little or no work experience. Therefore, part of the proposed plan must take into account retaining and recruiting experienced healthcare professionals as well as the entry level positions that will become available over time due to internal promotions. Thus, by year eight the region could fill all jobs available to new nursing and allied health graduates.

With continued market growth and by considering the payroll impact of the future demand, (about \$83 million), and realizing the impact from filling 3400 positions, (about \$142 million based on 2003 average salary data), the Task Force recommendations if

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implemented and sustained beyond the five-year plan could have a long term payroll impact worth over **\$353,000,000** to the New Orleans region's economy. In other words, with adequate educational infrastructure and capacity, sustained higher student enrollment levels and continued market growth, the worker supply would catch-up with the current and projected future employer demand, and the \$353,000,000 payroll impact identified in Exhibit A could be realized. To achieve these short-term and long-term goals, the New Orleans Regional Task Force on Economic Development and Health Workforce Training supports the following ten recommendations to be implemented over the next five fiscal years:

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Ten Recommendations – 10 Steps to Success

1. Develop and initiate an immediate public relations campaign to re-attract qualified nurses and allied healthcare workers who have left the field, and to find nurses living in Louisiana who do not have licenses from the State of Louisiana, but would easily qualify.
 - a. In tandem with these efforts, and to ensure consistent messages and to better leverage resources, this public relations campaign would coordinate with the statewide efforts of the Louisiana Health Works Commission and with educational entities such as the Louisiana Community and Technical College System. The Task Force estimates a budget of \$100,000, and intends to leverage this money by coordinating with entities listed above, pursuing outreach grants and private sponsors.
 - b. As part of the increased and focused effort to recruit and re-attract trained workers, the Task Force proposes work re-entry development pathways for validation of necessary competencies for the former group, and working with the State Board of Nursing to facilitate licensing of nurses who already have licenses elsewhere and live in Louisiana. These steps will fill vacancies relatively quickly for positions which require more experience than a new graduate can provide.
2. Prepare teaching institutions to educate 550 additional students each year in nursing and allied health fields. This goal will fill realistic portions of the existing job vacancies, as well as respond to estimates of future demand.



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- a. For vacancies in Registered Nurse (RN) positions, increased student enrollment will eventually fill 25 percent of existing vacancies with new graduates within five years and 50 percent of the existing vacancies with new graduates, i.e., about 1,500 individuals within eight years. This goal recognizes that only half the vacancies can be filled with new graduates, the other half requiring more specialized skills that realistically only occur with experience and as required by employers.
- b. For vacancies in Licensed Practical Nurse (LPN) positions, increased student enrollment will fill 25 percent of existing vacancies with new graduates within five years and 50 percent of the existing vacancies with new graduates, i.e., about 1,250 students more within eight years. In recognition of the ongoing discussions regarding inconsistency of readiness among LPN graduates, the Task Force also recommends that the educational institutions and employers dedicate themselves to working with the programs and the licensing board to ensure consistency and quality among LPN programs.
- c. Although vacancies in Certified Nurse Assistant (CNA) positions do not seem to represent a significant economic opportunity compared to what the vacant RN and LPN job vacancies represent, filling these 642 vacant CAN jobs is crucial in the plan for retaining LPNs and RNs, whose performance *and satisfaction* depend on the support duties CNAs perform. Recognizing that the vacant CNA jobs are less the result of supply or training than of high turnover due to low pay and the nature



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of the work, the Task Force recommends developing a retention program which relies on enhancing the skills of these entry-level employees and developing a career pathway for CNAs that demonstrates that these entry-level jobs can lead to fulfilling careers in the healthcare industry. We estimate these efforts will cost \$25,000.

- d. For vacancies in allied healthcare positions, increased student enrollment should meet the goal of filling 50 percent of the existing vacancies over five years and 100 percent of the existing vacancies with new graduates, i.e., over 750 individuals within eight years.

3. Retain adequate faculty to accommodate increased student enrollment.

_____ Accreditation standards require a student/faculty ratio of 10:1 for most healthcare programs (i.e., one faculty member per ten students). To meet the eventual goal of enrolling 550 new students per year will require about 110 new faculty members (e.g., national accreditation standards require 1 faculty member for 10 students in nursing programs¹²). Strategies to achieve this goal include:

- a. Explore with the region's hospitals the possibility of their "loaning" staff to teach nursing and allied health care students on an interim basis. The purpose of this step is to ensure an adequate pool of potential faculty members for the beginning years of "ramping-up" enrollment to train more qualified applicants in nursing and allied health care professions.
- b. Fund a public/private endowment which enhances faculty salaries in nursing and allied healthcare to make salaries more competitive and less of a hamper in recruitment efforts. The State of Louisiana would provide \$100,000 as a match for every \$50,000 raised in the New Orleans region from private contributions, the earnings from which could be used to supplement the current salaries of nursing and allied health faculty members to be more competitive with salaries offered to faculty in other

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university departments and with salaries offered by health care employers. For more information, see the summary report of the Healthcare Education Action Team located in the appendices section of the full report. The total state allocation request will be \$1,000,000 (over two years); the regional private sector will provide \$500,000. This initiative could serve as a pilot for possible future use in other parts of the state. This public private endowment could be modeled after the Louisiana Education Quality Support Fund (LEQSF) also known as the 8g fund, but would be funded separately from the 8g fund.

- c. Future work of the Task Force should include working with the Louisiana Health Works Commission and the Louisiana Board of Regents to develop and implement a plan to ensure faculty salary equity among nursing and allied healthcare faculty. This recommendation recognizes that the salaries of nursing and allied healthcare faculty must reach a level of consistency with marketplace salaries. In addition, the notion of institutional equity to achieve comparable salary levels for nursing and allied health care faculty within the universities must be addressed.



- d. Consistent with the strategy of the Louisiana Health Works Commission, appropriate an additional \$400,000 for stipends to 20 individuals who pursue and complete graduate degree programs necessary to teach nursing and allied health care students. The stipend program has a work payback requirement and would provide a tool for securing additional faculty needed to ramp up enrollment of students preparing for work in the marketplace. This additional stipend allocation would be targeted to New Orleans area graduate schools. For more information about the faculty stipend program, see the Healthcare Education Action Team report.

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- e. Assure adequate funds for access to clinical education experiences.
Recognize that clinical education opportunities afforded by the region's hospitals have implicit costs, and work with both public and private stakeholders to determine how best to address the costs and to ensure sufficient and diverse learning opportunities. The Task Force recommends monitoring and assessing the abilities of these institutions to provide a diverse clinical educational experience without requesting additional financial support.

- 4. Provide additional resources for schools already operating at capacity to increase student enrollment. Consistent with the Louisiana Health Works Commission, appropriate an additional \$22,125,000 for a capitation program to be rolled out over five-years.



This resource will provide funds dedicated primarily to hiring additional faculty, but could be used to cover an array of costs associated with enrolling additional students and operating above existing current capacity (see annual action plans and budget page).

This capitation approach is the cornerstone of the enrollment expansion plan. The capitation program is designed to provide needed resources to schools to increase capacity of high-demand programs. The great majority of the resources from this program are used to hire additional faculty. Most of the nursing and allied health programs in the New Orleans region are currently at or above capacity. The schools do not have the resources necessary to expand. The capitation program allocates a sum of money to a school for each student admitted to the professional component of a program over and above the normal entering cohort. A more complete explanation of the capitation program can be found in the appendices section of the full report.

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Note: The amount the Task Force is asking for is \$4,125,000 less than is actually required over the next five years (students entering the 5th year would complete their 2nd year of study in what would be year six). The Task Force will review the overall plan to determine progress, identify potential funding sources and make recommendations to the state regarding follow-on work and budget beginning in year six. The Task Force will aggressively dedicate itself -- and its staff person-- to leverage the proven success record of the program and seek funds from the Federal government and from private donors to help address year six.

5. Recognize and provide for capital improvements of approximately \$60 million over the next five years.

_____The Task Force estimates capital improvements of approximately \$60,000,000 will be required over the next five years to physically accommodate expanding enrollment and assure “state of the art” nursing and allied health care teaching facilities at educational institutions in the region. The basis for this figure, which includes the \$38,000,000 already known to be a multi-year capital outlay request by Delgado Community College, should undergo professional verification of actual needs, and the final amount may be adjusted. The Task Force recommends appropriating \$650,000 for professional fees for at least three efforts. First, to conduct needs assessments such as capital requirements of the educational institutions in the 11-parish New Orleans region. Second, to analyze what is necessary (in terms of capital and personnel) to support the growth of the emerging bio-tech industry in the region, and to estimate the job opportunities that will become available and training needed. This must be done to further Louisiana’s opportunity to develop a world-class life sciences research and development corridor by utilizing and developing existing assets in the New Orleans region such as the clinical trials sites offered through the teaching hospitals, the Gene Therapy Research Consortium, the Louisiana Cancer Research Center, the New Orleans Bio Center Wet Lab, and the Good Clinical Practices facility. And third, based upon the needs analyses, to initiate workable recommendations.



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6. Continue the work of the SR114 New Orleans Region Task Force to implement such ideas as are authorized and funded.

The Task Force is necessary to monitor and assess effects of implementation, to explore outstanding items as yet unresolved, to insure accountability as the recommendations are implemented, to adjust the plan along the way as warranted and to foster collaboration among Task Force members and other stakeholders. To implement this suggestion, the recommendation must be adopted in tandem with the following recommendation to hire a staff person. The Task Force should be organized under the authority of Greater New Orleans, Inc., because of its broad basis of support, its focus on economic development and its *not* being perceived as loyal to any one entity over another. If this recommendation is adopted, the Task Force will add to its representatives as originally set forth in SR114 and seek representation from each of the eleven parishes included in the designated New Orleans region.

7. Hire a staff liaison to the SR114 Task Force, who will manage the activities of the Task Force, focus on economic development opportunities related to the healthcare sector in the region.

Scope of work could include: developing necessary data bases, coordinating efforts by the region's institutions to reduce job vacancies and respond to the needs of employers, coordinating grant-writing efforts by linking with statewide resources as proposed by the Louisiana Health Works Commission, participating in the Health Works Commission as an *ex officio* member, and generally providing day-to-day assurance that opportunities are realized. This staff member will be particularly responsible for monitoring the results of the capitation grants, making certain that the educational institutions are capable of meeting enrollment commitments and "ramping-up" to a full complement of faculty, and recommending any adjustments to the five-year plan of capitation grants that might become necessary. Part of this individual's work will be to coordinate with known workforce resources (e.g., LDOL, LHWC,

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MHCNO and the Health Career Resource Center) and utilize existing databases and job matching services currently available at the state level as well as assist in regional outreach opportunities and events to connect employers and potential employees. We estimate the salary and related expenses necessary for this job would amount to \$110,000 per year, or \$550,000 over five years. This individual should work under the authority of Greater New Orleans, Inc., and will be dedicated to seeing that the recommendations of the SR114 Task Force are followed through as planned

8. The Task Force recommends that the Governor create a new cabinet position which has sufficient authority to coordinate the myriad funds and initiatives related to the healthcare workforce in Louisiana.

This recommendation is consistent with the Louisiana Health Works Commission. In addition, the SR114 Task Force recommends that a Task Force representative be submitted to attend Governor Blanco's Health Care Summit.

9. Pursue the development and implementation of workforce retention strategies.

Recognizing how readily nurses and allied health care workers will change jobs if they are dissatisfied, and how expensive turnover is to the operations of the health care industry, the Task Force grasps the importance of efforts to retain employees. We suggest investing \$25,000 to work with state entities such as the Louisiana Health Works Commission to coalesce "best practices" and develop an inducement plan for retention, including such ideas as professional awards and recognition, career pathways, flexible training methods, and child care facilities. This endeavor can be a pilot initiative targeting the downtown bio-science complex. These efforts will enhance the attractiveness of working in the New Orleans region, and encourage people to make their careers here.



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10. Support outreach efforts to interest young students in a career in nursing or allied health care professions. The liaison staff member (see #6 above) will coordinate career promotion efforts with the School-to-Career Healthcare Consortium and other area agencies, and leverage the resources of the Department of Education and the Louisiana Health Works Commission.

To summarize, over the next five years, the Task Force is asking the state to allocate \$25,275,000 to these combined educational efforts, and to anticipate about \$60 million in capital costs. **The Task Force is unanimous in its opinion that to maximize success ALL of these suggestions must be initiated. Picking and choosing bits or partial funding could jeopardize the overall impact of the plan.**

At the end of five years, with a state investment of \$25,275,000 in program funds, the pragmatic strategies of the SR 114 Task Force will have set in place the soft infrastructure necessary to realize close to a 3:1 return on investment by training and putting into the workforce 1,750 new employees.¹³ In addition, by completing a careful capital improvements program, of approximately \$60,000,000 in capital outlay, we have ensured physical accommodation for the expanded enrollment and state-of-the art teaching facilities – a factor of importance in attracting students and researchers, in retaining faculty, and in readying the region for the huge economic benefits to come from the research-intensive biotech and other life sciences industries.

And by careful attention being paid to issues of recruitment and retention, the Task Force has tried to ensure that young people realize the career possibilities in nursing and allied health care, and that once they embark on the career in New Orleans, they find sufficient job satisfactions and enticing possibilities for the future that they stay in the region.

By the end of eight years, if the programs are sustained, and barring unforeseen factors, the \$353,000,000 payroll lost due to existing vacancies and

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projected unfilled new jobs in the nursing and allied healthcare fields will be within our reach, yielding a greater ROI.

Finally, the Task Force volunteers to continue meeting, with staff assistance, to implement the SR114 plan, oversee progress, be accountable for the results and monitor any new developments that are pertinent to maintaining the New Orleans region as a vital portion of the State's whole healthcare industry. The Task Force will aggressively dedicate itself -- and its staff person-- to leveraging the progress made possible by the State funding requested in this plan and seek additional support from the Federal government and from private donors to implement other and as yet unfunded strategies such as assistance with grant development and outreach initiatives to be coordinated by the staff person.

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IN THE NEW ORLEANS REGION

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END NOTES

- ¹ A text copy of Senate Resolution 114 can be found in the appendices section of the full report.
- ² The Task Force suggests using the definition provided by the Association of Allied Health Professionals: “Allied Health professionals are involved with the delivery of health or related services pertaining to the identification, evaluation and prevention of diseases and disorders; dietary and nutrition services; rehabilitation and health systems management, among others. Allied health professionals, to name a few, include dental hygienists, diagnostic medical sonographers, dietitians, medical technologists, occupational therapists, physical therapists, radiographers, respiratory therapists, and speech language pathologists.”
- ³ Data sources are the Louisiana Department of Labor, the Louisiana Health Works Commission, the Nursing Supply and Demand Commission and Metropolitan Hospital Council of New Orleans.
- ⁴ Report of the Louisiana Health Works Commission: *Ensuring A Competent, Caring Healthcare Workforce for Louisiana*, March 2003. (can be found online at <http://www.laworkforce.net/hwc>)
- ⁵ The Task Force defined the New Orleans region to include the following parishes: Orleans, Jefferson, St. Tammany, St. James, St. John, St. Bernard, St. Charles, Plaquemines, Tangipahoa, Washington, and Lafourche.
- ⁶ Regional Demand Data Matrix data sources: Louisiana Department of Labor, the Louisiana Health Works Commission, the Nursing Supply and Demand Commission and the Metropolitan Hospital Council of New Orleans.
- ⁷ Regional Supply of Educational Facilities Matrix data source: Metropolitan Hospital Council of New Orleans, survey conducted fall 2003, **Respondents:** Delgado Community College/Allied Health, Delgado/Charity School of Nursing, Dillard University, Louisiana State University/Allied Health, Louisiana State University/Allied Health, Louisiana State University/School of Nursing, LTC Hammond, LTC Jefferson Campus, LTC Lafourche in Thibodaux, LTC Slidell, LTC Sullivan in Bogalusa, LTC West Jefferson, LTC Westside in Plaquemines, Nicholls State University/Allied Health, Nicholls State University/Nursing, North Oaks Health Systems/School of Radiologic Technology, Nunez Community College/Nursing, Our Lady of Holy Cross College/Nursing, Our Lady of Holy Cross College/Ochsner School of Allied Sciences, Our Lady of the Lake College/Tulane Campus, Southeastern Louisiana University, University of New Orleans, Willliam Carey College/School of Nursing; Xavier University/College of Pharmacy.
- ⁸ *Louisiana: Vision 2020*, the state’s master plan for economic development, 2003 update. (can be found online at www.chooselouisiana.com)
- ⁹ Strategic Action Plan, Life Sciences Cluster, New Orleans Region, prepared for MetroVision by DADCO Consulting and Regional Technology Strategies, Inc., 2002.
- ¹⁰ “The Economic Contributions of the Biotechnology Industry to the U.S. Economy,” Ernst & Young, May 2000, as found on www.bio.org/news/ernstyoung.pdf
- ¹¹ The participants on each Action Team are listed in the appendices section of the full report. Individuals who made presentations to the Action Teams are also listed in the appendices section.
- ¹² National accreditation standards require one (1) faculty member for ten (10) students in nursing programs. Although there are different standards in other allied health care programs, the Task Force used the 1:10 ratio as an average. The 1,750 job vacancies could be filled within six years with increased enrollment, which would require about 110 additional faculty members. This number ensures adequate faculty to meet future demand for nursing and allied health care workers. In order to train 550 students per year (i.e., 1/6 of the 3,500 vacancies), it might seem from the faculty/student ratio that it would require only 70 faculty members. This would be true if the educational programs were one year long. However, most of them are two years, meaning that we need 55 faculty members for the first year, and 55 additional faculty members

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REPORT AND RECOMMENDATIONS



for the second year's increment of 550 new students. At the end of the second year, the first class would graduate, freeing the original 55 new faculty members to take on the third year's increment of 550 students. Some programs are shorter than one year, some are four (4) years long, but for the sake of understanding in a preliminary way how many faculty members are needed the Task Force adopted an average program length of two years.

- ¹³ At the end of five years, with a state investment of \$25,275,000 in program funds, the pragmatic strategies of the SR 114 Task Force will have set in place the soft infrastructure necessary to realize close to a 3:1 return on investment by training and putting into the workforce 1,750 new employees. The formula used data from Exhibit A: 1750 new workers x \$41,737 average salary = \$73 million payroll.

Exhibit A
Regional Demand Data Matrix (December 2003)
Healthcare Employer Action Team

CURRENT Employment Demand and Economic Impact					FUTURE Employment and Growth and Economic Impact				
Healthcare Professions (ranked from highest area of need to lowest)	Total State Vacancies, (DOL June 2002)	Total Regional Vacancies, (DOL June 2002)	Regional Vacancies as a % of statewide vacancies	Average Pay In Region (DOL and Hospital Survey)	Payroll Impact of filling vacancies (avg pay x # regional vacancies)	Annual Regional Demand Growth*** (DOL Projection)	Cumulative Regional Demand Growth*** 2004-2009 (DOL Projection)	Payroll Impact of filling new jobs (avg pay x # additional employees 2004-2009)	Total Payroll Impact of filling existing vacancies + new jobs
Nursing:		6,251							
RN	4,163	3,101	74%	\$ 47,470	\$147,204,470	160	800	\$37,976,000	\$185,180,470
LPN	3,318	2,508	76%	\$ 28,860	\$72,380,880	40	200	\$5,772,000	\$78,152,880
Nursing Assistant	1,590	642	40%	\$ 16,380	\$10,515,960	150	750	\$12,285,000	\$22,800,960
Therapy:		368							
Respiratory Therapist	266	227	85%	\$ 42,307	\$9,603,689	20	100	\$4,230,700	\$13,834,389
Respiratory Tech	NA	*16	NA	\$ 35,922	\$574,752	0	0	\$0	\$574,752
Physical Therapist	257	120	47%	\$ 63,240	\$7,588,800	20	100	\$6,324,000	\$13,912,800
P.T. Assistant	NA	*5	NA	\$ 35,069	\$175,345	10	50	\$1,753,450	\$1,928,795
Radiology:		244							
Rad Tech (x-ray)	287	228	79%	\$ 40,726	\$9,285,528	10	50	\$2,036,300	\$11,321,828
-MRI Tech	(Rad Tech includes specialties)	(Rad Tech includes specialties)	(Rad Tech includes specialties)	\$ 49,192	(Rad Tech includes specialties)	(Rad Tech includes specialties)	(Rad Tech includes specialties)	(Rad Tech includes specialties)	
-CT Tech				\$ 44,533					
-Mammographer				\$ 45,469					
Ultrasound Tech	NA	*16	NA	\$ 45,157	\$722,512	0	0	\$0	\$722,512
Pharmacy:		89							
Pharmacist	93	67	72%	\$ 75,972	\$5,090,124	10	50	\$3,798,600	\$8,888,724
Pharmacy Tech	NA	*22	NA	\$ 22,485	\$494,670	10	50	\$1,124,250	\$1,618,920
Lab:		51							
Med Tech	57	40	70%	\$ 39,220	\$1,568,800	10	50	\$1,961,000	\$3,529,800
Medical Lab Tech	NA	*11	NA	\$ 27,770	\$1,110,800	0	0	\$0	\$1,110,800
Surgery:		48							
Nurse Anesthetist (CRNA)	NA	*21	NA	\$114,546	\$2,405,466	NA			\$2,405,466
Surgical Tech	NA	*27	NA	\$ 25,650	\$692,550	10	50	\$1,282,500	\$1,975,050
Medical Records:		47							
Coder	NA	*7	NA	\$ 28,808	\$201,656	NA	NA	NA	\$201,656
Transcriptionist	NA	*14	NA	\$ 23,390	\$327,460	10	50	\$1,169,500	\$1,496,960
Medical Records Tech	NA	*26	NA	\$ 24,310	\$632,060	30	150	\$3,646,500	\$4,278,560
Total or Average:	10,031	7,098	**69%	\$ 41,737	\$269,948,002	490	2,450	\$83,359,800	\$353,307,802

* Indicates hospital demand only, based on Metropolitan Hospital Council 2003 Demand Survey, due to lack of information from DOL 2002 Vacancy Survey.

** New Orleans Region represents 69% of the statewide vacancies for the same nine professions included in the state data column (6,933 region / 10,031 state).

*** "Growth" represents the new number of employees that will be needed over the current level. It does not include hiring to replace existing workers who leave.

Sources: Louisiana Department of Labor, Louisiana Health Works Commission, Louisiana Nursing Supply and Demand Commission, Metropolitan Hospital Council of New Orleans

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
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EXHIBIT B



Regional Supply Educational Facilities Matrix (October 2003)

		# Area Schools Offering Program	# Admissions 2002/2003 Academic Year	# Graduates 2002/2003 Academic Year	Total # Enrolled as of 10/1/03	Total # Qualified Applicants Denied Fall 2003
	Nursing:					
	Registered Nurse	8	892	532	2,033	303
	Licensed Practical Nurse	9	602	213	537	430
	Nursing Assistant	8	439	317	300	18
	Therapy:					
	Respiratory Therapist	3	46	39	87	41
	Respiratory Tech	2	43	27	49	0
	Physical Therapist	1	35	41	69	73
	Physical Therapy Assistant	1	18	15	17	12
	Radiology:					
	Rad Tech (X-ray)	3	92	98	170	129
	MRI Tech	0	0	0	0	0
	CT Tech	0	0	0	0	0
	Mammographer	0	0	0	0	0
	Ultrasonographer	1	16	17	33	27
	Pharmacy:					
	Pharmacist	1	177	121	517	196
	Pharmacy Tech	1	15	13	15	23
	Lab:					
	Med Tech	1	29	24	25	13
	Medical Lab Tech	1	11	6	17	0
	Surgery:					
	Nurse Anesthetist (CRNA)	1	40	0	100	33
	Surgical Tech	2	69	42	62	48
	Medical Records:					
	Coder	1	124	0	89	0
	Transcriptionist	1	8	6	0	0
	Medical Records Tech	0	0	0	0	0
TOTAL:		44	2,633	1,506	4,104	1,346

Responding Schools: Delgado Community College/Allied Health, Delgado/Charity School of Nursing, Dillard University, Louisiana State University/Allied Health, Louisiana State University/Allied Health, Louisiana State University/School of Nursing, LTC Hammond, LTC Jefferson Campus, LTC Lafourche in Thibodaux, LTC Slidell, LTC Sullivan in Bogalusa, LTC West Jefferson, LTC Westside in Plaquemines, Nicholls State University/Allied Health, Nicholls State University/Nursing, North Oaks Health Systems/School of Radiologic Technology, Nunez Community College/Nursing, Our Lady of Holy Cross College/Nursing, Our Lady of Holy Cross College/Ochsner School of Allied Sciences, Our Lady of the Lake College/Tulane Campus, Southeastern Louisiana University, University of New Orleans, William Carey College/School of Nursing, Xavier University/College of Pharmacy.

EXHIBIT C



Workforce Flow Chart

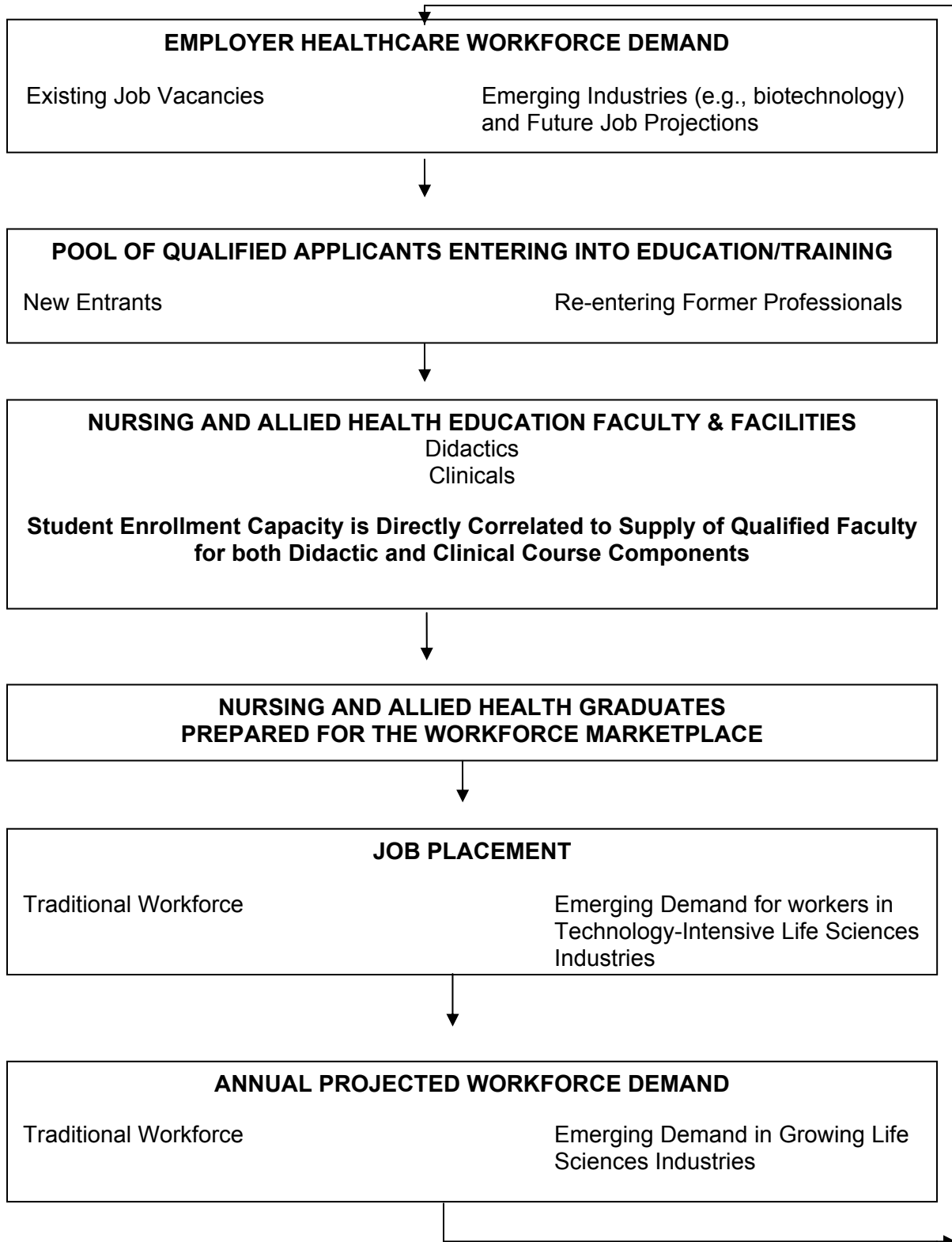


Exhibit D
Five-Year Summary Budget
New Orleans Regional Task Force on Economic Development and Health Workforce Training

Expenditure Item	Five Year Totals	Fast Track 1/04- 6/30/04	Year 1 7/1/04 - 6/30/05	Year 2 7/1/05 - 6/30/06	Year 3 7/1/06 - 6/30/07	Year 4 7/1/07- 6/30/08	Year 5 7/1/08- 6/30/09
Public Relations Outreach (R 1)	\$ 100,000.		\$100,000.				
Retention: CNA (R 2c)	\$ 25,000.		\$ 25,000.				
Retention: pilot plan targeting downtown area (R 9)	\$ 25,000.		\$ 25,000.				
Faculty Salary Endowment (R 3b)	\$ 1,000,000.		\$ 500,000.	\$ 500,000.			
Graduate Student Stipends (R3d) (commit to teach on graduation)	\$ 800,000.		\$ 400,000.	\$ 400,000.			
Professional Services (R 5) (e.g., capital needs regional assessment; analyzing emerging biotech & future workforce needs)	\$ 650,000.		\$ 650,000.				
Capitation Program (R 4)	\$22,125,000.		\$ 1,125,000.	\$ 3,000,000.	\$ 4,500,000.	\$ 6,000,000.	\$7,500,000.
Staff Liaison for Task Force (R 7)	\$ 550,000.		\$ 110,000.	\$ 110,000.	\$ 110,000.	\$ 110,000.	\$ 110,000.
Sub Total (Programmatic)	\$25,275,000.		\$ 2,935,000.	\$ 4,010,000.	\$ 4,610,000.	\$ 6,110,000.	*\$7,610,000.
Capital Outlay Request (R 5)	**\$60,000,000		\$15,000,000.	\$15,000,000	\$15,000,000.	\$15,000,000.	
	.			.			
Totals (programmatic & capital)	\$85,275,000.		\$17,935,000.	\$19,010,000	\$19,610,000.	\$21,110,000.	\$7,610,000.

At the end of five years, with an investment of \$25,275,000 in programmatic funds, the pragmatic strategies of the SR 114 Task Force will have set in place the soft infrastructure necessary to realize an estimated 3:1 return on investment. In addition, by completing a careful capital improvements program of approximately \$60,000,000, we will ensure the adequate hard infrastructure to accommodate expanded enrollment and state-of-the art teaching facilities – an important factor in attracting students and researchers, retaining faculty, and readying the region for economic benefits stemming from research-intensive life sciences industries. Projecting beyond the initial five years, if the proposed program efforts are sustained, capital projects are completed, and the market grows as expected, the \$353,000,000 payroll impact of filling current vacancies and new jobs can be realized yielding a greater return. ***

The Task Force is unanimous in its opinion that to maximize success ALL of these recommendations must be initiated. Picking and choosing bits or partial funding could jeopardize the overall impact of the plan. Please see the five year action plan for more details and specific results.

* Entering cohort will graduate 2010, if enrollment levels are sustained for three more years, the region will be able to produce 3400 graduates.

** For budget purposes, total capital outlay is broken out over 4 years, in increments of \$15,000,000. Actual dollars requested may vary depending on the progress with the existing Delgado request and based on next steps identified in the regional needs assessment for capital improvements.

*** Recommendations and payroll impact data (Exhibit A) can be found in the Report and Recommendation section. See the Five Year Action Plan section for more details on annual results.

R = Recommendation



FIVE YEAR ACTION PLAN

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
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FIVE YEAR ACTION PLAN



Five Year Action Plan

Achieving the 10 Steps to Success

&

Preparing the New Orleans Region for Meeting Existing Job Vacancies and Projected Demand for Nursing and Allied Health Care Workers

These recommendations and action strategies could result in jobs worth approximately \$73 million within the first five years and over \$140 million within eight years. With additional careful adjustments to sustain, successful efforts and enrollment levels, the long term results from these recommendations could work to fill all job vacancies and new jobs to be added, resulting in a payroll impact of \$353 million.

Fast Track Priorities

January 1, 2004 - June 30, 2004

1. The Task Force shall work with Louisiana Economic Development, Louisiana Health Works Commission and other involved entities to develop and begin roll-out of an immediate public relations campaign to re-attract qualified nurses and allied health care workers, and to identify qualified nurses trained in other states who do not yet have Louisiana licenses. (Recommendation # 1)
2. New Orleans Regional Task Force on Economic Development and Health Workforce Training choose a representative and request that the Task Force participate at Governor Blanco's Healthcare Summit (Recommendation # 8)
3. Recommend that the Governor create a Cabinet Position with sufficient authority to coordinate the myriad funds and initiatives related to the healthcare workforce in Louisiana. This recommendation is consistent with the Louisiana Health Works Commission. (Recommendation # 8)

FIVE YEAR ACTION PLAN



4. Explore with the region's hospitals the possibility of their "loaning" a total of 10 staff members on an interim basis to teach nursing and allied health care workers during the initial two-year period beginning July 1, 2004, in which we expand the number of faculty and start increasing student enrollment. The purpose of this step is to ensure an adequate pool of potential faculty members for the beginning years of "ramping-up" to accept and educate more qualified applicants in nursing and allied health care programs. (Recommendation # 3a)

Total Cost: costs related to developing the public relations campaign will be absorbed by the identified partnering entities.

FIVE YEAR ACTION PLAN



Year 1

July 1, 2004 - June 30, 2005

1. Appropriate \$100,000 to initiate a full roll-out of an immediate public relations campaign to re-attract qualified nurses and allied health care workers, and to identify qualified nurses who do not have Louisiana licenses. (Continuation of #1 in Fast Track list; (Recommendation # 1)
2. Appropriate \$500,000 to fund a public/private faculty endowment which will match \$250,000 raised in the New Orleans region private sector. This endowment will be used to, enhance faculty salaries in nursing and allied health-care, which will also boost recruitment and retention efforts (e.g., fund five endowed professorships). (Recommendation # 3b)
3. Appropriate \$400,000 for stipends to 20 individuals who pursue and complete graduate degree programs necessary to teach in nursing and allied health care programs. This is consistent with the Louisiana Health Works Commission request. Note: these 20 individuals would graduate in 2006. (Recommendation # 3d)
4. Appropriate \$1,125,000 for 150 capitation grants for schools to enroll additional students in nursing and allied health care programs. Capitation funds are often used to hire faculty but can be used for other related education expenses. The Task Force assumes an entering faculty salary would be \$60,000 including fringe benefits. (Recommendation #4)
5. Appropriate \$650,000 for professional services contracts for various capital and programmatic needs assessments. (Recommendation #5)
6. Appropriate \$25,000 to develop a retention program/career pathway model focused on Certified Nursing Assistants. (Recommendation #2c)

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
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FIVE YEAR ACTION PLAN



7. Appropriate \$25,000 to develop a pilot project for best employment practices and retention efforts directed to all other nursing and allied health care professions and targeted for the emerging downtown bio-tech area. (Recommendation #9)
8. Work with the LPN Board, educators and employers to ensure consistency and quality among LPN programs. (No appropriation necessary, this falls within the scope of work for the paid liaison staff member (recommendation 7) – who will work with the appropriate members of the Task Force.) (Recommendation. # 2b)
9. Recommend continuing the work of the New Orleans Region Task Force for at least the five year period (or until the Legislature feels it is no longer needed). (Recommendation # 6)
10. Appropriate \$110,000 to hire a staff liaison for the Task Force, who will work under the authority of Greater New Orleans, Inc. This figure includes salary, relevant benefits and related administrative expenses. (Recommendation # 7)
11. Support outreach efforts to interest young students in a career in nursing or allied health care professions. The paid liaison staff member will coordinate efforts with the School-to-Career Healthcare Consortium and other area agencies to maximize success and leverage the resources of the Department of Education, the Louisiana Health Works Commission and other stakeholders. (Recommendation # 10)

Year 1 Costs: \$ 2,935,000 (programmatic funds)

\$15,000,000 (capital outlay - will be part of a multi year request with an anticipated total of approximately \$60 million -- actual annual amount may be different depending upon progress with the existing Delgado request and the next steps identified in needs assessment)

TOTAL: \$17,935,000

FIVE YEAR ACTION PLAN



First Year Results:

- I. 150 additional students enrolled in nursing and allied health care fields under the capitation program to prepare to enter the marketplace workforce.
- II. 20 additional students enrolled in a graduate degree program where upon graduation will be committed to teach in Louisiana nursing and allied health programs.
- III. Developed and implemented a system to track the success of the public relations campaign to re-attract qualified nurses and allied health workers with a multi-year goal of identifying at least 50 nurses and allied health workers reactivated for Louisiana licensure and employment.

FIVE YEAR ACTION PLAN



Year 2

July 1, 2005 - June 30, 2006

1. Continue agreement with the region's hospitals to "loan" 10 members of their staff to teach nursing and allied health care workers. (Recommendation # 3a)
2. Appropriate \$500,000 to fund a public/private faculty endowment which will match \$250,000 raised in the New Orleans region private sector. This endowment will be used to enhance faculty salaries in nursing and allied health-care (e.g., fund five endowed professorships). (Recommendation # 3b)
3. Appropriate \$3,000,000 for capitation grants in the New Orleans region. Of this total, \$1,125,000 will continue the first year's capitation grants, enabling the 150 additional students to continue from year one and \$1,875,000 will fund school costs and allow 250 additional students to enroll in programs. (Recommendation # 4)
4. Appropriate \$400,000 for stipends to 20 individuals to complete the 2nd year of graduate degree programs necessary to teach in nursing and allied health care programs. Note: these 20 individuals would graduate in 2006. (Recommendation # 3d)
5. Review success of the two-year graduate stipend program and determine if another round of funding should be requested to begin in year 3 and finish in year 4. A second round of funding is not currently included in the budget (Recommendation # 6 & # 7)
6. Based upon the results of the regional capital needs assessment requested in Year 1 and which should be completed by Year 2, request State Capital Outlay Project funds to initiate capital improvements at identified educational institutions in the New Orleans region. Based upon preliminary discussions, the Task Force estimates this will be \$15 million per year or \$60 million over 4 years. (Recommendation # 5)

FIVE YEAR ACTION PLAN



- | | |
|----------------------|--|
| Year 2 Costs: | \$ 4,010,000 (programmatic) |
| | \$15,000,000 (capital outlay - will be part of a multi year request with an anticipated total of approximately \$60 million -- actual annual amount may be different depending upon progress with the existing Delgado request and the next steps identified in needs assessment) |
| TOTAL: | \$19,010,000 |

- I. 250 additional students will be enrolled under the capitation program to train for entering the work market.
- II. By the end of the 2006, the 150 students enrolled by the first year capitation grants will graduate and be prepared to enter the marketplace, earning, based on 2003 average pay, \$6,260,550 (*Note: the capitation program provides resources to schools currently operating at or above full enrollment capacity to increase capacity of high demand programs, with the greatest amount of the resources often going to hire additional faculty*)

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
IN THE NEW ORLEANS REGION

FIVE YEAR ACTION PLAN



- III. By the end of 2006, 20 students will complete graduate degree programs prepared to teach nursing/allied health care programs and committed to teach in a Louisiana program.

FIVE YEAR ACTION PLAN



Year 3

July 1, 2006 - June 30, 2007

1. Appropriate \$4,500,000 for capitation program grants. Of this total, \$1,875,000 will enable the 250 students enrolled in year 2 to continue and provide schools with \$2,625,000 to cover costs for enrolling 350 new students under the capitation program. (Recommendation # 4)
2. Review progress of the five year plan, determine whether adjustments should be made and identify follow-on work or funding sources that will be necessary to sustain success for years 6 – 10. (Recommendation # 6 & # 7)
3. Appropriate \$110,000 for liaison staff member's salary, relevant benefits and administrative costs. (Recommendation # 7)
4. As stated earlier, the Task Force will seek to raise money by leveraging the successful track record and through the work of the liaison staff person, will seek to get additional grant funds from the federal government or other public/private institutions. (Recommendation # 6 & # 7)
5. Support outreach efforts to interest young students in a career in nursing or allied health care professions. The liaison staff member (see #6 above) will coordinate efforts with the School-to-Career Healthcare Consortium and other area agencies to maximize success and leverage the resources of the Department of Education and the Louisiana Health Works Commission and other stakeholders. (Recommendation # 10)
6. Monitor progress on capital outlay funding and development/completion of identified projects. (Recommendation # 5)

FIVE YEAR ACTION PLAN



Year 3 Costs: \$ 4,610,000 (programmatic)

\$15,000,000 (capital outlay - will be part of a multi year request with an anticipated total of approximately \$60 million -- actual annual amount may be different depending upon progress with the existing Delgado request and the next steps identified in needs assessment)

TOTAL: \$19,610,000

Third Year Results:

- I. 350 additional students will be enrolled under the capitation program and training for jobs to enter the work market.
- II. By the end of 2007, the 250 students enrolled by the second year capitation grants will graduate prepared to enter the marketplace workforce, earning, based on 2003 average pay, \$10,434,250.
- III. From 2004 through 2007, a cumulative total of an additional 400 graduates above the normal graduating cohort will have entered the work market place due to SR114 expansion efforts and through the capitation program. (150 Year 2 graduates + 250 year 3 = 400 cumulative) *(Note: the capitation program provides resources to schools currently operating at or above full enrollment capacity to increase capacity of high demand programs, with the greatest amount of the resources often going to hire additional faculty).*
- IV. Progress report on the completion of identified and funded capital outlay projects.



July 1, 2007 - June 30, 2008

- | | |
|----------------------|--|
| Year 4 Costs: | \$ 6,110,000 (programmatic) |
| | \$15,000,000 (capital outlay - will be part of a multi year request with an anticipated total of approximately \$60 million -- actual annual amount may be different depending upon progress with the existing Delgado request and the next steps identified in needs assessment) |
| TOTAL: | \$21,110,000 |

FIVE YEAR ACTION PLAN



Fourth Year Results:

- I. 450 additional students will be enrolled under the capitation program and training to enter the work marketplace.
- II. By the end of 2008, the 350 students enrolled by the third year capitation grants will graduate prepared to enter the workforce, earning, based on 2003 average pay, \$14,607,950.
- III. Beginning in 2004 and through 2008, a cumulative total of an additional 750 graduates above the normal graduating cohort will have entered the work market place, through the capitation program. (150 Year 2 graduates + 250 year 3 + 350 year 4 = 750 cumulative) *(Note: the capitation program provides resources to schools currently operating at or above full enrollment capacity to increase enrollment capacity of high demand programs, with the greatest amount of the resources often going to hire additional faculty).*
- IV. Progress report on the completion of identified and funded capital outlay projects.

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
IN THE NEW ORLEANS REGION
FIVE YEAR ACTION PLAN



Year 5

July 1, 2008 – June 30, 2009

1. Appropriate \$7,500,000 for final round of capitation grants. Of this total, \$3,375,000 will continue the 450 year-4 capitation grants; \$4,125,000 will authorize 550 new capitation grants to further expand enrollment. **Note:** *This strategy will require \$4,125,000 in year 6 to complete the year-5 class enrolled for their first year of study through capitation grants.* (Recommendation #4)
2. As stated earlier, the Task Force will seek to raise money by leveraging the successful track record of the program and through the work of the liaison staff person, will seek to get additional grant funds from the federal government or other public/private institutions. (Recommendation #7)
3. Monitor progress on capital outlay funding and development/completion of identified projects. (Recommendation #5)
4. Appropriate \$110,000 for liaison staff member's salary, relevant benefits and related administrative expenses. (Recommendation #7)

Total Year 5 Cost: \$ 7,610,000 (programmatic) and assumes capital outlay was received in years one through four.

Fifth Year Results:

- I. 550 additional students will be enrolled under the capitation program.
- II. By the end of 2009, the 450 students enrolled by the year 4 capitation grants will graduate prepared to enter the work marketplace, earning, based on 2003 average pay, \$18,781,650.

FIVE YEAR ACTION PLAN



- III. From 2004 through the end of 2009, a cumulative total of an additional 1200 graduates above the 2003 normal graduating cohort will have entered the work market place, through the capitation program. (150 Year 2 graduates + 250 year 3 + 350 year 4 + 450 year 5 = 1200 cumulative, with another 550 enrolled for projected graduation in 2010 bringing the total graduates to 1750 in year 6, earning an estimated \$73 million based on 2003 average pay data.) *(Note: the capitation program provides resources to schools currently operating at or above enrollment capacity to increase capacity of high demand programs, with the greatest amount of the resources often going to hire additional faculty.)*
- IV. By year five all funded capital outlay projects should be completed or nearing completion.

The goal has been met: educational institutions in the New Orleans region will be able to enroll 550 more students in nursing and allied health care programs each year. Assuming continued adequate funding to sustain increased enrollment, this number is sufficient to fill existing job vacancies and to fill projected demand both in medical institutions and in research facilities.

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
IN THE NEW ORLEANS REGION
FIVE YEAR ACTION PLAN



Overall Results (Year 1-5)

- I. Graduated 20 students from graduate level programs under the stipend program who are qualified to teach in nursing and allied health programs and committed to teach in Louisiana.
- II. Enrolled 1,750 additional nursing and allied health students who upon graduation will enter the marketplace and based on 2003 average pay figures, will earn a combined payroll of \$73,039,750, based on 2003 pay average data. These 1,750 enrolled students are in addition to the number of graduates that schools would have produced without the additional resources provided by the capitation program
- III. Recruited 50 new nurses and allied health workers (e.g., trained adults returning to the field, gaining current certification, licensure etc)
- IV. Capital outlay projects will be complete or near completion providing hard infrastructure via state-of-the art teaching facilities necessary to accommodate expanded enrollment, attract students and researchers, retain faculty, and prepare the region for supporting research-intensive commercialization endeavors and industries associated with life sciences.
- V. The infrastructure is in place to sustain enrollment beginning in Year 6, pending continued adequate funding. Based on the 2003 pay average, the five-year payroll impact will double by Year 8 if the 2008/2009 enrollment level of 550 additional students per year is maintained and the marketplace continues to grow as expected. If sustained, the region will realize 3400 more enrolled students by 2011 who will graduate by 2013.

By the end of eight years, if the programs are sustained, and barring unforeseen factors, the \$353,000,000 payroll that has been lost due to vacant jobs in the nursing and allied health care fields will be within our reach, yielding a greater ROI.



HEALTHCARE INDUSTRY EMPLOYER ACTION TEAM

SUMMARY OF FINDINGS

HEALTHCARE INDUSTRY EMPLOYER ACTION TEAM



Summary of Findings

Purpose: The purpose of the Industry Employer Action Team is to discuss, analyze, and develop industry priorities for health workforce solutions for the New Orleans region, and to channel industry recommendations to the full Task Force for consideration and inclusion in the final Task Force report. *The Task Force is looking for immediate action as well as a vision of where we would like to be in five years.*

Pertinent Facts:

1. Health care workers comprise 15 percent of the workforce in Louisiana, numbering more than 230,000 individuals whose combined payroll is \$6.2 billion.
2. There are over 10,000 vacancies for nursing and allied health care workers in Louisiana.
3. The New Orleans region accounts for 69 percent of the state's vacancies in nursing and allied health care professions. There are 6,251 vacant nursing positions; 847 vacant allied health care positions. Were these 7,000 jobs filled, they would add **\$270,000,000** to the region's economy.
4. There are training programs already in place in the region for *every type of job vacancy*, but most of the schools have capacity constraints that limit the number of new applicants they can accept. In fact, admissions to nursing and allied health care programs in 2002/2003 numbered 2,633; 1,346 qualified applicants were turned away. **That is, we had half again as many qualified applicants turned down as we admitted. And put another way, we turned down qualified applicants who, upon graduation, could have reduced the vacancies by nearly 20 percent!**

HEALTHCARE INDUSTRY EMPLOYER ACTION TEAM



5. Projected additional demand for nursing and allied health care workers is 490 per year for the next 5 years. If this growth in demand were met, an additional **\$83,000,000** would be added to the region's economy by the year 2009.
6. All these figures are conservative, because the Department of Labor **only** surveys job vacancies existing for private employers. This means that vacant jobs at, for example, LSU Health Sciences Center, not-for-profit nursing homes, and public health organizations, are not included.
7. These figures are also conservative because they do not include workers necessary to the biotechnology industry (gene therapy, cancer research, new pharmaceutical manufacturers) emerging around medical research institutions in downtown New Orleans.

Healthcare Industry Employer Action Team Recommendations:

1. Make sure Task Force recommendations are data driven, and continue using the Data Matrices to monitor progress.
2. Consider faculty loan from employers to fill faculty gaps short-term, while training more faculty long-term.
3. Increase education delivery alternatives (distance, nights, fast track, part-time).
4. Expand clinical training sites (employers) where needed to accommodate more students in the latter stages of the curriculum and diversify the experience.

HEALTHCARE INDUSTRY EMPLOYER ACTION TEAM



5. Introduce employer incentives to train/hire additional workers (ex. Tax credits).
6. Show the impact of Charity Hospital cuts on education and health training.
7. Assess biotechnology research needs as part of the continued work of the Task Force in 2004, but suggest the great opportunities of this emerging sector -- both the research facilities and pharmaceutical manufacturing companies -- in the report.
8. Develop a regional, rapid response network of workforce training to fill critical labor shortages as they arise, and to “staff up” for future biotech human capital.
9. Support the operations and programs of the School-to-Career Healthcare Consortium for youth outreach efforts and preparation for professional education.
10. Sustain the coordination/infrastructure of SR114 for 2004 and beyond (i.e., continue the work of the New Orleans Region Task Force). The Task Force should choose a representative to sit in on Governor-Elect Blanco’s Health Care Summit meeting.
11. Designate a regional staff person to serve as health workforce liaison and to staff the continued work of the Task Force. This provides continuity and accountability for the recommendations of the New Orleans Region Task Force.
12. Focus the SR114 message on rapid response, plentiful jobs, good pay, and positive economic impact.

HEALTHCARE INDUSTRY EMPLOYER ACTION TEAM



Continuing Issues:

1. In the next year, quantify the job opportunities for healthcare workers either in the bioscience research endeavors underway in the region, or in firms that come into existence because of the results of such research.
2. Monitor progress on the recommendations of the Task Force.

List of Exhibits and Appendices:

Regional Demand Data Matrix (Exhibit A, located in the Report and Recommendations Section.)

Regional Supply of Educational Facilities Matrix (Exhibit B, located in the Report and Recommendations Section.)

Selected slides from "National and State Health Workforce Briefing," presentation by Lynn B. Nicholas, FACHE; President and CEO, Louisiana Hospital Association. (Specifically: Slides 1, 2, 3, 4, 6, 10, 11, 22, and 24)

"Louisiana Biomedical Research and Development Park," slide presentation by James M. Cairo, Ph.D., Interim Dean, School of Allied Health Professions, LSU Health Sciences Center.

Selected slides from "The Impact of Innovation: Biotechnology and the New Orleans Economy," presentation by Steven E. Moye, President and CEO, Louisiana Gene Therapy Research Consortium.

"Biotechnology/Biomedical Sector Workforce Demand," a survey of biotechnology/biomedical companies in New Orleans region, prepared by Greater New Orleans, Inc.

"The Supply and Demand Databases and Modeling Subcommittee: Findings and Recommendations," in *Report of the Louisiana Health Works Commission*, March 2003, p. 29-32.



HEALTHCARE EDUCATION ACTION TEAM

SUMMARY OF FINDINGS

HEALTHCARE EDUCATION ACTION TEAM



Summary of Findings

Purpose: The purpose of the Healthcare Education Action Team is to examine the shortage of qualified faculty to teach in Louisiana's RN programs, explore potential faculty shortages in allied health programs, and consider other factors that impact institutional ability to produce adequate numbers of graduates to meet the market demand of the regional healthcare industry. These issues are aggravated by the fact that a large majority of existing nurse faculty is eligible to retire when there are already waiting lists of qualified students seeking entry into nursing and allied health programs and hundreds of well-paying jobs are vacant. In addition, those schools which have graduate nursing programs (LSU Health Sciences Center and Southeastern Louisiana University) are required to employ doctorate-trained faculty to teach a minimum of 25% of the nursing courses. This action team sought to develop recommendations to remedy the faculty shortage and address other infrastructure issues, which in turn would allow the institutions to enroll additional well-qualified students above the normal number that current capacity will allow.

Pertinent Facts:

1. Primarily because of a shortage of faculty, each year over 1200 fully-qualified applicants are denied admission to educational programs in nursing and allied health care fields.
2. Clinical sites necessary for education in nursing and allied health care are limited, particularly in specialty areas of practice such as acute pediatrics. The reduction of clinical sites at Charity will lead to a disruption of some educational programs and the possible closure of others, particularly for nurses and allied health care workers.

HEALTHCARE EDUCATION ACTION TEAM



3. Less than 6 percent of all RNs in Louisiana hold necessary credentials to teach; approximately 36 percent of current nursing faculty plan to work less than five years.
4. Accreditation standards require a Student/Faculty ratio of 10:1 (i.e., one faculty member for every 10 students).
5. The pay earned by nursing and allied health faculty falls significantly short of practitioners' salaries. It is not unusual to hear about graduates of associate degree programs commanding higher salaries than the graduate-prepared faculty who trained them. Although faculty in many disciplines earn less than their graduates, and teaching (as a noble profession), typically has lower compensation rates, the large salary gaps in teaching versus practice in nursing and allied health are compounding the teaching shortages in these areas. Measured against an easily recognizable standard, the Action Team notes that faculty salaries in the New Orleans region are below the average paid in the Southeast region of the United States.
6. Many educational institutions with an existing focus on nursing and allied health need capital improvements to keep their facilities up to a "state-of-the-art" standard necessary to offer first-rate education for nursing and allied health care workers. Such a standard is clearly necessary to attract components of the emerging biotechnology sector. One need already identified by the Louisiana Legislature is at Delgado Community College, which offers programs in nearly every nursing and allied health care field, and is desperately short in adequate laboratory facilities. While it has made imaginative use of existing space, its pedagogical ability and reputation – and indeed its attractiveness to faculty and students alike – would undoubtedly be greatly enhanced by the establishment of a "state-of-the-art" instructional facility.

HEALTHCARE EDUCATION ACTION TEAM



Healthcare Education Action Team Recommendations:

With regard to the shortage of qualified faculty to teach in RN programs in the New Orleans region, the Action Team recommends the following:

1. Work toward a goal of 110 new faculty members, which will be sufficient to train 550 additional students each year. Accreditation standards require 1 faculty member for 10 students. The 3,400 vacancies could be filled in eight years with 110 faculty members, a number which will ensure adequate faculty to meet future demand for nursing and allied health care workers. In order to train 550 students per year, it might seem from the faculty/student ratio that we would only need 55 faculty members. This would be true if the educational programs were 1 year long. However, most of them are two years, meaning that we need 55 faculty members for the first year, and 55 additional faculty members for the second year's increment of 550 new students. At the end of the second year, the first class would graduate, freeing the original 55 new faculty members to take on the third year's increment of 550 students. Some programs are shorter than one year, some are 4 years long, but for the sake of understanding in a preliminary way how many faculty members are needed, the Task Force adopted an average program length of two years.
2. Support continuation of the nurse stipend program which began in 2003-04 for the second year of study (FY 2004-05) to educate future faculty. This program is currently supporting 30 students enrolled in MSN programs. The student receives \$10,000 per semester for up to four semesters (\$40,000). The graduate is required to teach one year in an RN program for each semester of support. Five of these students are enrolled in the MSN program at the LSU Health Sciences Center, live and work in the New Orleans area, and are expected to fulfill their teaching commitment in the New Orleans area. Additionally, Southeastern Louisiana University, considered in the New Orleans Area for purposes of this study, also has five students in this program.

HEALTHCARE EDUCATION ACTION TEAM



The Action Team recommends an additional cohort of 20 students in the stipend program targeted to the New Orleans area, primarily in MSN and DNS programs. This program could also support selective allied health fields if evidence of faculty shortages is documented. The Louisiana Health Works Commission has identified the New Orleans Region as a target in their soon-to-be-released 2004 report.

3. Create a salary-enhancement endowment in the New Orleans area. While many private health care providers, foundations, corporations, etc are willing to support nursing and allied health programs, many are unwilling to commit to ongoing support. This program will be attractive to corporations and other givers since it allows them to participate and to help alleviate faculty shortages without having to commit to long-term support. The salary-enhancement endowment program would be a matching program where the state of Louisiana would provide \$100,000 as a match for every \$50,000 in private contributions. The \$150,000 would be invested where the corpus would be protected and the earnings would be used to supplement faculty salaries, helping make them more competitive with other university departments and with practitioners' pay scales. The institution could choose to reinvest some of the earnings to increase the amount in the fund, thus generating additional earnings over time for salary supplements.

With regard to educating students for the marketplace in the New Orleans region, the Action Team recommends the following:

4. Fund a student capitation initiative to provide resources to nursing and allied health programs and encourage nursing and allied health programs in the New Orleans region to increase their capacity to enroll students and train them for entering the workforce marketplace as quickly as possible. Under this program, institutions receive a set amount of dollars for each additional qualified student admitted to the program over and above the average entering cohort for the previous three years. In 2004-2005, this program would target allied health programs that can demonstrate a

HEALTHCARE EDUCATION ACTION TEAM



shortage in workforce, have qualified students on waiting lists and have qualified faculty available to teach the courses given the resources. Depending on the mix of programs and the cost per student, this program will enroll an additional 100-150 students in nursing and allied health programs. In 2005-06 (when additional nurse faculty should become available), the capitation program would have a heightened focus on RN programs. *Note: Schools which have received any special monies to increase the entering cohort during the three-year time frame will be funded for those students over and above the level achieved with the special monies, not the three year average.*

5. Provide “state of the art” educational facility to attract students, faculty, and emerging biotechnology firms to the New Orleans region. For instance, Delgado Community College, which provides educational programs for nearly all the nursing and allied health care professions, is in need of new and updated facilities, particularly for laboratories. Based upon decade-long discussions of this facility, the state legislature recently appropriated funds for planning purposes in support of this project and lines of credit for this planning have been issued by the Bond Commission.

While the Action Team supports the facility project for Delgado, and recommends its being funded, the Action Team also recognizes that other teaching institutions in the region have capital needs in order to expand enrollment and keep their facilities at a “state-of-the-art” standard.

6. Recognize the importance of adequate clinical experience for a first-rate education in nursing or allied health care professions, and notice there is an implicit cost to the institution for providing these clinical sites.
7. Continue the work of the New Orleans Region Task Force, thereby providing continuity and accountability. The Task Force should choose a representative to sit in on Governor-Elect Blanco’s Health Care Summit meeting. Hire a staff person responsible for developing data bases, monitoring supply and demand, and keeping track of job opportunities.

HEALTHCARE EDUCATION ACTION TEAM



Continuing Issues:

1. It is unclear if there is a shortage of faculty in allied health care fields. The action team will investigate the matter, particularly with regard to specialties required to support the region's research efforts in gene therapy, cancer research, and biotechnology.
2. The proposed capitation program must be monitored for success and the ability of the institutions to fully participate and utilize the resource. This program may require periodic adjustments to maximize full potential.

List of Appendices:

1. Regional Healthcare Education Programs Supply Inventory, prepared by the Metropolitan Hospital Council of New Orleans.
2. Selected slides from "National and State Health Workforce Briefing," power point presentation by Lynn B. Nicholas, FACHE; President and CEO, Louisiana Hospital Association. (Specifically: Slides 1, 5, 6, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24)
3. *Annual Report 2002*, Nursing Supply and Demand Commission
4. "The Education and Articulation Subcommittee," in *Report of the Louisiana Health Works Commission*, March 2003. (Pages 33-36)
5. Explanation of the Capitation Program



HEALTHCARE WORKFORCE RECRUITMENT / RETENTION ACTION TEAM

SUMMARY OF FINDINGS



Summary of Findings

Purpose: The purpose of the Healthcare Workforce Retention/Recruitment Action Team was to examine issues related to workforce retention and recruitment and to offer recommendations for improvements. The Action Team recognizes the importance of attracting new individuals to the nursing and allied health care professions, but thinks it is equally important that efforts be undertaken to find mechanisms that retain people in these careers.

Pertinent Facts:

1. If current trends continue, the number of RNs giving up their licenses will outnumber new entrants.
2. Shortages of nursing personnel can have fatal consequences: surgery patients admitted to hospitals with nurse/patient ratios greater than 1:7, have a 31% greater chance of dying.
3. Shortage of nursing personnel means the New Orleans region has a less-healthy workforce, which undoubtedly lowers the region's productivity.
4. There has been a huge increase in the number of Louisiana's nurses seeking a professional license out of state. In 1999, 804 RNs sought licenses outside of Louisiana; in 2001, 4,480 made a similar choice.
5. Very few nurses from other states sought licenses in Louisiana: in 2001, only 813 RNs did so. However, we know that some oil-industry workers who are temporarily assigned to Louisiana have wives with nursing licenses from other states, and could easily qualify for licensure here.

HEALTHCARE WORKFORCE RECRUITMENT / RETENTION ACTION TEAM



6. There is a cost of nurse turnover rates: a 500 bed hospital can save \$800,000 by reducing nurse turnover by as little as 3 percent. Nationally, the turnover rate among nurses at large hospitals was 22% in 2002; among nurses at any healthcare site (including hospitals), it was 15% in 1999, up from 12% in 1996.
7. There are in the New Orleans region many former nurses, who could be “courted,” have their competencies validated, and relatively easily rejoin the profession.
8. Dissatisfaction among nurses in their workplaces is caused by:
 - a. Increases in overtime or double shifts
 - b. Larger numbers of patients per nurse; decrease in time nurse can devote to each patient; decreased quality of patient care
 - c. Increased turnover of staff
 - d. More acutely ill patients
 - e. Increased concern for patient and staff safety
 - f. Lack of respect for nurses
9. In a survey conducted by the Action Team, the main source of nurses’ dissatisfaction was inadequate pay.
10. The clinical portion of nursing and allied health care education must be supported sufficiently to provide a wide range of types of medicine. The reductions of programs at Charity will reduce the wide variety of experiences necessary for a first-rate educational program.



Healthcare Workforce Retention/Recruitment Action Team Recommendations:

1. Recognize the changing dynamics of employee expectations – and how readily employees will change jobs if they are dissatisfied. In a sense, the Action Team realized that trained nurses and allied healthcare workers are “Assets with Feet!” Their suggestions are for flexible scheduling, competitive compensation, workplace ergonomics, diverse methods of employee training – especially those that take advantage of the Information Age to provide education that isn’t site specific (i.e., distance learning, compressed video, etc.).
2. Both employees and students require child care facilities.
3. Fund “skills enhancement” programs to bring the competencies of former RNs to a level that is creditable.
4. Recognize the many aspects of “courtship” of existing and potential employees – and undertake a Regional Media Blitz to attract them. Simultaneously, engage in “early intervention” – attracting young people (starting with elementary school aged children) to these professions.
5. Provide funding adequate to provide a first-rate assortment of clinical experiences for students in nursing and allied health.
6. Work with State Board of Nursing to help nurses with out-of-state licenses get a Louisiana license.
7. Continue the work of the New Orleans Task Force to oversee progress on its recommendations, thereby providing accountability to the legislature as well as continuing to work on unresolved issues.



8. Hire an individual as staff liaison for the New Orleans Regional Task Force, whose responsibilities would include working with state resources (e.g., LDOL, other medical and health statewide commissions) to for develop and maintain a pertinent data-bases of demand, supply, available jobs, etc. in the 11 parish New Orleans region.

Continuing Issues:

1. Research models for a state-sponsored pilot program that uses visual ICUS, automated pharmacy dispensing systems. Determine the economic benefits of these alternatives to filling vacancies with nurses and allied health care workers.
2. Continue supporting a “state of the art” training facility to support in-service requirements: among its benefits will be a positive effect on recruitment and retention of personnel.

List of Appendices:

1. Selected slides from “National and State Health Workforce Briefing,” presentation by Lynn B. Nicholas, FACHE; President and CEO, Louisiana Hospital Association. (Specifically: Slides 1, 2, 7, 8, 9, 11, 12, 13, 14, 22)
2. Annual Report, 2002, of Nursing Supply and Demand Commission.
3. “The Image, Recruitment, Retention, and Work Design Subcommittee,” in *Report of the Louisiana Health Works Commission*, March 2003. (Pages 37-38)



APPENDIX A:

SENATE RESOLUTION 114

SPONSORING SENATORS:

LAMBERT BOISSIERE

DIANA E. BAJOE

PAULETTE R. IRONS

JOHN J. HAINKEL, JR.

Regular Session, 2003

SENATE RESOLUTION NO. 114

BY SENATORS BOISSIERE, BAJOE, IRONS, AND HAINKEL

A RESOLUTION

To create the New Orleans Regional Task Force on Economic Development and Health Workforce Training to plan and implement regional initiatives to meet healthcare employment needs and to promote economic growth and jobs in the healthcare industry.

WHEREAS, there is a continuing shortage of nursing and allied health personnel throughout the state of Louisiana, with approximately forty percent of the job vacancies existing in the metropolitan New Orleans area; and

WHEREAS, the Louisiana Department of Labor projects significant job growth in the healthcare sector through the year 2010; and

WHEREAS, there are multiple health science and research projects planned for the downtown New Orleans medical complex; and

WHEREAS, such projects will have a positive economic impact for the city of New Orleans and the state of Louisiana; and

WHEREAS, such projects will require additional nursing and allied healthcare workers; and

WHEREAS, such healthcare workforce development will require expansion of existing health education and training programs.

THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana hereby creates the New Orleans Regional Task Force on Economic Development and Health Workforce Training to convene appropriate governmental, public, and private entities to coordinate the planning and implementation of regional health economic development

projects and necessary workforce training initiatives in order to promote the necessary schedule, collaboration, and resources for success.

BE IT FURTHER RESOLVED that the task force shall be composed of the secretary of the Department of Economic Development and a representative of the following:

- (1) A representative of the division of administration.
- (2) State Senator from District 3 or his designee.
- (3) State Senator from District 4 or her designee.
- (4) State Senator from District 5 or her designee.
- (5) State Senator from District 6 or his designee.
- (6) A representative of the Metropolitan Hospital Council of New Orleans.
- (7) A representative of New Orleans, Inc.
- (8) A representative of the New Orleans Regional Medical Center.
- (9) A representative of the mayor's office of the city of New Orleans.
- (10) A representative of Delgado Community College.
- (11) A representative of LSU Health Sciences Center, New Orleans.
- (12) A representative of Xavier University.
- (13) A representative of the Tulane University Medical Center.
- (14) A representative of the Louisiana Community and Technical College System.
- (15) A representative of the Louisiana Board of Regents.
- (16) A representative of the Department of Labor.

BE IT FURTHER RESOLVED that each entity with a representative on the task force shall submit the name of the representative to the secretary of the Department of Economic Development by August 1, 2003 and the secretary shall call the first meeting of the task force by September 1, 2003.

BE IT FURTHER RESOLVED that the task force shall develop and submit a written report of its plan and recommendations to the Senate on or before January 15, 2004, together with any specific proposals for legislation and appropriation.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the entities named herein to serve on the task force.

PRESIDENT OF THE SENATE



APPENDIX B:

TASK FORCE REPRESENTATIVES

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
IN THE NEW ORLEANS REGION

APPENDIX B



SR 114 Task Force Representatives

Represented Entities (as legislated by SR114)	Representatives	Other Participants
Secretary of the Department of Economic Development	Don Hutchinson. Chair; Sylvia Goldman (designee)	
Representative of the Division of Administration	Mark Drennen; Angele Davis (designee)	Barbara Goodson
State Senator from District 3 or his designee	Lambert Boissiere, Jr.; Michelle Boissiere, Ph.D. (designee)	
State Senator from District 4 or her designee	Paulette Irons	
State Senator from District 5 or her designee	Diana Bajoie	
State Senator from District 6 or his designee	John Hainkel, Jr.	
Representative of the Metropolitan Council of New Orleans	John "Jack" Finn, Ph.D.; Dino Paternostro (designee)	
Representative of New Orleans, Inc. (Greater New Orleans, Inc., formerly MetroVision and New Orleans Chamber of Commerce)	Patrick "Pat" Quinlan, M.D.; Barbara Johnson (designee)	Liza Sherman
Representative of the New Orleans Regional Medical Center (Medical Center of Louisiana. at New Orleans)	Dwayne Thomas, M.D.; Aurora Carter (designee)	Dianna Thames
Representative of the mayor's office of the City of New Orleans	Andrala Walker	
Representative of Delgado Community College	Raymond "Ray" Garrity, Ph.D.	Pat Egers Max Reichard, Ph.D.
Representative of LSU Health Sciences Center, New Orleans	James Cairo, Ph.D.; Perry Rigby, M.D. (designee)	Jennifer Brand Elizabeth Humphrey, Ph.D.
Representative of Xavier University	Wayne Harris, Ph.D.	
Representative of the Tulane University Medical Center (Tulane University Health Sciences Ctr)	Jeanne James, M.D.	
Representative of the Louisiana Community and Technical College System	Harold Gaspard	Lawrence Hobdy
Representative of the Louisiana Board of Regents	Larry Tremblay, Ph.D.	
Representative of the Department of Labor	Kevin Joyce	Wanda Love



APPENDIX C:

SR 114 TASK FORCE ACTION TEAM PARTICIPANTS

APPENDIX C



SR 114 Task Force Action Team Participants

Chair: Don J. Hutchinson, Secretary, Louisiana Economic Development

Project Director: Sylvia Goldman, LED; Support: Becky Lambert, LED

Action Teams

Team #1	Team #2	Team #3	Team #4
Employer Perspective (e.g., needs, expectations & projections)	Retention & Recruitment of Workforce (e.g., graduate & incumbent workforce needs, expectations of employees)	Education Perspective (e.g., faculty, articulation, and physical infrastructure)	Funding and Economic Impact (e.g., potential grant resources)
Dino Paternostro <i>Metropolitan Hospital Council of New Orleans</i> Liza Sherman <i>MetroVision/Greater New Orleans Inc.</i> Barbara Johnson <i>MetroVision/Greater New Orleans Inc.</i> Jeanne James, MD <i>Tulane University Health Sciences Center</i> Andrala Walker <i>New Orleans Mayor's Office</i> Pat Quinlan, MD <i>Ochsner Clinic Foundation/Greater New Orleans Inc.</i> Wanda Love <i>Louisiana Department of Labor</i>	Aurora Carter <i>Medical Center of Louisiana at New Orleans</i> Lawrence Hobdy <i>Baton Rouge Community College for Walter Bumphus</i> Wayne Harris, PhD <i>Xavier University</i>	Larry Tremblay, PhD <i>Board of Regents</i> James Cairo, PhD <i>LSUHSC-NO</i> Michelle Boissiere, PhD <i>Senate Dist. #3, Lambert Boissiere</i> Harold Gaspard <i>LCTCS</i>	Angele Davis <i>Division of Administration</i> Kevin Joyce <i>Dept. of Labor</i> Andrala Walker <i>New Orleans Mayor's Office</i> Ray Garrity <i>Delgado Community College</i> Senator Lambert Boissiere, Jr. <i>Senate Dist. #3</i> Barbara Johnson <i>MetroVision/Greater New Orleans Inc.</i> Liza Sherman <i>MetroVision/Greater New Orleans Inc.</i> Jack Finn <i>New Orleans Metropolitan Hospital Council</i> Harold Gaspard <i>Louisiana Community Technical College System</i>



APPENDIX D:

PRESENTATIONS TO
THE TASK FORCE

Appendix D



Presentations to the Task Force

Aug. 28, 2003

"National and State Health
Workforce Briefing"

Presented by:

Lynn B. Nicholas, FACHE
*President, Louisiana Hospital Assn.
Chair, Health Works Commission*

Aug. 28, 2003

"Hospital Employment
Demand Survey"

Presented by:

John J. "Jack" Finn, Ph.D.
*President/CEO, Metropolitan Hospital
Council of New Orleans*

Sept. 18, 2003

"Overview of Downtown
New Orleans Developments
& Allied Health Workforce"

Presented by:

James M. Cairo, Ph.D.
*Interim Dean, School of Allied Health
LSU Health Sciences Center – New Orleans*

Oct. 9, 2003

"The Impact of Innovation and
the New Orleans Economy"

Presented by:

Steven E. Moyer
*President & CEO, Medical Center of Louisiana
New Orleans, Louisiana Cancer Research Center
and Louisiana Gene Therapy Consortium*

Oct. 30, 2003

"Medical Center of Louisiana
At New Orleans"

Presented by:

Dwayne A. Thomas, M.D.
CEO, Medical Center of Louisiana t New Orleans



APPENDIX E:

POTENTIAL GRANT AND FUNDING SOURCES

APPENDIX E



Potential Grant and Funding Sources

The Funding and Economic Impact Action Team identified viable sources that could advance the objectives of the Task Force. Below is a list of potential sources:

STATE SOURCES

1. Use incumbent worker funds to develop short-term training infrastructure through entities such as the hospital association and local foundations
 - Look at University of New Orleans (UNO) and Delgado models with Louisiana Department of Labor (LDOL)
 - Metropolitan Hospital Council of New Orleans is leveraging Louisiana Department of Labor money for more federal dollars and private foundation dollars (e.g. Ford, Kellogg)
2. Economic Development Award Program (EDAP) through Louisiana Economic Development
3. Louisiana Economic Development Workforce Development and Training Program
4. Board of Regents 8g fund (post secondary as well as K-12)
5. Tobacco Settlement money
6. Louisiana Department of Labor Displaced Worker funds
7. Division of Administration
 - \$3 billion in trust funds
 - Millennium fund
 - Nursing Home trust fund

FEDERAL SOURCES

1. Health and Human Services Grant Programs for Human Resources
<http://www.hhs.gov/grantsnet/searchfunding.htm>
The Department of Health and Human Services (HHS) has approximately 300 grant programs, most of which are administered in a decentralized manner by several agencies. HHS does not have a single publication that describes all HHS grant programs. Instead, HHS uses the Catalog of Federal Domestic Assistance (CFDA). The catalog, compiled and maintained by the General Services Administration (GSA), profiles all Federal grant programs, including HHS programs and lists a specific contact for obtaining additional information and application forms.

APPENDIX E



2. Homeland Security Funds and Connection to Health Care

<http://www.dhs.gov/dhspublic/>

The Department of Homeland Security is committed to working with citizens, private industry, trade organizations, and all levels of government to keep America safe and to foster the freedoms that we cherish. There are a wide variety of opportunities to work with the department such as forming and implementing public-private partnerships, obtaining technical assistance and training, grants and loans.

3. Temporary Assistance for Needy Families (TANF)

<http://www.acf.dhhs.gov/news/facts/tanf.html>

States may use TANF funds in any manner "reasonably calculated to accomplish the purposes of TANF." The purposes are: assisting needy families so that children can be cared for in their own homes; reducing dependency of needy parents by promoting job preparation, work, and marriage; preventing out-of-wedlock pregnancies, and encouraging the formation and maintenance of two-parent families. The law allows states to create jobs by taking money that is now used for welfare checks and using it to create community service jobs, provide income subsidies, or provide hiring incentives for potential employers. Louisiana programs: FITAP (Family Independence Temporary Assistance Program), cash assistance and FIND Work (Family Independence Work Program), TANF work program.

4. Workforce Investment Act (WIA)

<http://www.doleta.gov/usworkforce/asp/act.cfm>

The Workforce Investment Act of 1998 provides the framework for a unique national workforce preparation and employment system designed to meet both the needs of the nation's businesses *and* the needs of job seekers and those who want to further their careers. There are four Workforce Investment Boards (WIB) in the Greater New Orleans, Inc., area plus one in Lafourche Parish, equaling five WIBs in the 11-parish areas identified by the Task Force. WIB is the term for the local boards who decide where to utilize federal funds from WIA. Jefferson and Orleans Parish may have more funding resources.

5. Carl D. Perkins Vocational and Technical Education Act

<http://www.state.la.us/opb/exec-bud00/19-dedu/19-681L.html>

The Carl D. Perkins Vocational and Technical Education Act of 1998 provides funding for secondary and post-secondary vocational education programs. "The purpose of this Act is to develop more fully the academic, vocational, and technical skills of secondary students and post-secondary students who elect to enroll in vocation and technical education programs".

APPENDIX E



6. Adult Literacy

<http://www.doe.state.la.us/lde/family/523.html>

Adult and Family Services administers the Adult Education program that provides instruction to adults who are 16 years of age and older, not enrolled in the K-12 system, and have less than a high school education. Funds flow through the Board of Elementary and Secondary Education (BESE) and the General Equivalency Diploma (GED) program. The purposes of the program are to allow these individuals to continue their education to at least the level of completion of secondary school and to make available to them an opportunity to acquire basic literacy skills necessary to function in society and become more employable, productive, and responsible citizens. The Adult and Family Services Section also administers the Even Start Family Literacy Program, with the purpose of breaking the cycle of poverty and illiteracy by improving the educational opportunities of low-income families through the integration of early childhood education, adult literacy, and parenting education into a unified family literacy program.

7. U.S. Department of Labor Welfare-to-Work

<http://wtw.doleta.gov/formula/98formula/vaplan.asp>

On August 5, 1997, the President signed the Balanced Budget Act of 1997. This legislation amended certain TANF provisions of the Social Security Act and authorized the Secretary of Labor to provide WtW grants to States and local communities for transitional employment assistance to move the hardest to employ welfare recipients into unsubsidized jobs and economic self-sufficiency. The grants provide welfare recipients with a wide range of services, from job placement assistance to training and support services. There are two types of grants under this program: State formula grants (a portion of each State grant gets distributed by formula to local areas throughout each State) and local competitive grants, which were awarded on a competitive basis directly to local agencies. A potential model might be Hampton University in Virginia.

8. Department of Social Services (DSS)

<http://www.dss.state.la.us/>

DSS is responsible for developing and providing social services and improving social conditions for the citizens of Louisiana, and for rehabilitating persons with disabilities for employment. Virginia has an effective model.

9. Community Development Block Grant (CDBG)

<http://www.state.la.us/cdbg/brochure.htm>

Louisiana has received funds and distributed the funds to eight cities to be used for infrastructure. The primary objective of the Louisiana Community Development Block Grant (LCDBG) Program is to provide assistance to units of general local government in non-entitlement areas for the development of viable communities by providing decent housing and a suitable living environment and

APPENDIX E



expanding economic opportunities, principally for persons of low and moderate income. Non-entitlement areas are municipalities with a population of less than 50,000 and parishes with an unincorporated population of less than 200,000. Each activity funded under the LCDBG Program must address one of the following two national objectives: Principal benefit to low and moderate income persons (at least fifty-one percent) and elimination or prevention of slums and blight.

10. U.S. Health Services Health Resources and Services Administration (HRSA)

<http://www.hrsa.gov/grants/default.htm>

HRSA awards grants and cooperative agreements that expand and improve primary health care for medically underserved people, health and related services for people with HIV/AIDS, maternal and child health, health professions training and education, rural health, telemedicine, and organ donation.

11. Federal Office for Minority Health

<http://www.omhrc.gov/omhhome.htm>

The mission of the Office of Minority Health (OMH) is to improve and protect the health of racial and ethnic minority populations through the development of health policies and programs that will eliminate health disparities.

PRIVATE SOURCES

1. The Robert Wood Johnson Foundation

<http://www.rwjf.org/index.jsp>

The Robert Wood Johnson Foundation seeks to improve the health and health care of all Americans. To achieve the most impact with funds, RWJ prioritizes grants into four goal areas: Health care at reasonable cost, improved quality of care and support for chronic health conditions, promote healthy communities and lifestyles, and to reduce harmful social and economic effects of substance abuse. To accomplish these goals, RWJ uses a variety of strategies, such as support training, education, research (excluding biomedical research), and projects that demonstrate the effective delivery of health care services. Rather than paying for individual care, RWJ concentrates on health care systems and the conditions that promote better health.

2. W. K. Kellogg Foundation

<http://www.wkkf.org/>

The mission is to help people help themselves through the practical application of knowledge and resources to improve their quality of life and that of future generations.

The W.K. Kellogg Foundation is a nonprofit organization whose mission is to

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apply knowledge to solve the problems of people. Its founder W.K. Kellogg, the cereal industry pioneer, established the Foundation in 1930. Since its beginning the Foundation has continuously focused on building the capacity of individuals, communities, and institutions to solve their own problems.

3. Bill and Melinda Gates Foundation

<http://www.gatesfoundation.org/default.htm>

The Bill & Melinda Gates Foundation invests in partnerships that bring experience, expertise and commitment to helping people through better health and learning. Program areas of focus are: Global Health, Education, Libraries, and Pacific Northwest Giving.

4. Soros Foundation

<http://www.soros.org/about/foundations>

Soros foundations are autonomous institutions established in particular countries or regions to initiate and support open society activities. The priorities and specific activities of each Soros foundation are determined by a local board of directors and staff in consultation with George Soros and OSI boards and advisors. In addition to support from the Open Society Institute, many of the foundations receive funding from other sources.



APPENDIX F:

EXPLANATION OF THE CAPITATION PROGRAM TO PROVIDE RESOURCES

Appendix F



Explanation of the Capitation Program to Provide Resources

The capitation program is designed to provide needed resources to schools to increase capacity of high-demand programs. Most of the nursing and allied health programs in the New Orleans area are at or above capacity. The schools do not have the resources necessary to expand this capacity. The capitation program allocates a sum of money to the school for each student admitted to the professional component of the program over and above the normal entering cohort. As an example, if a program has a history of enrolling 25 new students annually, the capitation program provides funding for each student enrolled in excess of 25. If one determines that the average cost of training a student in a particular nursing or allied health program is approximately \$10,000, and the tuition and state general appropriations for that student is estimated at \$2,500,* then the capitation amount would equate to \$7,500, providing the institution sufficient resources to increase the capacity of the program. The capitation program allows for expansion of existing programs instead of having to commit much higher levels of resources to begin a new program. The capitation program also allows the institution to downsize the program in an orderly fashion once (if and when) the shortage is alleviated. Such downsizing must be over time to allow for faculty retirements, resignations, transfers, etc.

** The referenced \$2,500 as part of the capitation program discussion is to explain that the school receives revenues from two primary sources: state appropriations and student tuition/fees. These revenues are inadequate due to the high costs of nursing and allied health education and the insufficient appropriations of State government. If institutions were fully funded, there would be less need for a capitation program.*

APPENDIX G



APPENDIX G:

REPORT OF THE
LOUISIANA HEALTH WORKS COMMISSION

SELECTED PAGES

Improving the image of healthcare professions and supporting
the education of future healthcare workers in Louisiana

Report of the **LOUISIANA HEALTH WORKS COMMISSION**



**ENSURING A COMPETENT, CARING
HEALTHCARE WORKFORCE
FOR LOUISIANA**

March 2003

SUBCOMMITTEE FINDINGS AND RECOMMENDATIONS

✦ ***The Supply and Demand Databases and Modeling Subcommittee***

Background

The Supply and Demand Databases and Modeling Subcommittee has met on a recurring basis since the inception of the Health Works Commission and their subcommittee development. The Subcommittee's focus has been to quantify current health labor shortages, future demand projections, and the supply of such workers from the corresponding education programs in Louisiana.

The Subcommittee's participation and commitment to the assigned tasks has been strong. Additionally, external expertise and resources were provided through the Louisiana Department of Labor staff, the Workforce Commission staff, and related consultants.

Data Findings²⁶

1. Public and private data sources confirm the existence and extent of health labor shortages for the Top 10 professions of concern.
2. For **total job vacancies**, Registered Nurse (RN), Licensed Practical Nurse (LPN), Certified Nursing Assistant (CNA), Radiologic Technologist (Rad Tech), Respiratory Therapist (RT), and Physical Therapist (PT) account for the greatest areas of shortage.
3. For **job vacancies as a percentage of the workforce**, Licensed Practical Nurse (LPN), Registered Nurse (RN), Respiratory Therapist (RT), Physical Therapist (PT), and Radiologic Technologist (Rad Tech) account for the most critical shortage areas.
4. For **number of vacancies and vacancy percentage**, Registered Nurse (RN), Licensed Practical Nurse (LPN), Radiologic Technologist (Rad Tech), Respiratory Therapist (RT), and Physical Therapist (PT) are identified as shortage areas for both criteria, and should be considered "Tier One."
5. For projected demand for 2000-2010, Registered Nurse (RN) growth exceeds the other areas, with a demand increase of 1,370 annually, or 13,700 over the 10-year period.
6. For the projected rate of growth in employment demand for 2000-2010, Physician Assistant (PA), Respiratory Therapist (RT), and Physical Therapist (PT) have the greatest growth rates, exceeding 5% per year or 50% over the 10-year period.
7. In terms of employment setting, a majority of Registered Nurse (RN), Radiologic Technologist (Rad Tech), Medical Technologist (Med Tech), Respiratory Therapist (RT), and Physician Assistant (PA) workers are employed by hospitals. By contrast, a majority of Pharmacist, Licensed Practical Nurse (LPN), Physical Therapist (PT), and Certified Nursing Assistant (CNA) workers are employed outside of hospitals, such as in nursing homes and clinics.
8. In terms of educational preparation, the availability of programs varies widely among the professions, with only one program for Physician Assistant (PA) and only two programs each for Pharmacist and Physical Therapist (PT). By contrast, there are 75 Certified Nursing Assistant

²⁶ The following findings and conclusions presented exclude the "Family and General Practitioner" category, which will be addressed in a separate report on physicians.

(CNA) programs and 47 Licensed Practical Nurse (LPN) programs. Due to educational and licensure requirements, the length of training varies from 3 months for Certified Nursing Assistant (CNA) to 6 years for Pharmacist.

9. For most of the professional areas, the supply of workers (number of graduates) does not keep pace with the employment demand (number of job vacancies). The greatest gap between supply and demand is in the Registered Nurse (RN) profession, with total job vacancies at 4,163 and the total graduates at 1,474, creating a deficit of 2,689 workers statewide.
10. The total supply of licensed workers is limited by the number actually working and residing in Louisiana. Likewise, the supply of new workers through new graduates is limited by the number of graduates who decide to practice in Louisiana following graduation.

Other Findings

The data on Pharmacist and Physician Assistant (PA) requires further explanation. Neither profession surveys very well, and thus cannot be assessed by the data alone.

Unlike the other professions, Pharmacists are generally not W-2 employees. Instead, they are often working as I-9 contract workers in hospitals and as sole proprietors in independent pharmacies. Their services are often arranged by contract and they may work for more than one organization. Thus, when employers are surveyed, they often underestimate the Pharmacist demand because these employers may not actually be “hiring” for such positions. Likewise, the Louisiana Department of Labor data tracks only W-2 employees, leading to undercounting of the demand/vacancy. However, based on national reports, there is clear concern about the shortage of Pharmacists in Louisiana and across the nation.

These areas are given priority in the first round of recommendations to the Legislature:

1. **Registered Nurses (RN)**
2. **Licensed Practical Nurses (LPN)**
3. **Radiologic Technologists (Rad Tech)**
4. **Respiratory Therapists (RT)**
5. **Physical Therapists (PT)**

Combined, these five professions comprise 83% of job vacancies, and each has vacancy rates greater than 10%.

Physician Assistant (PA) must also be addressed in a different context. First, there are not many Physician Assistants in Louisiana. Thus, Department of Labor sample surveys do not capture adequate responses from those employing Physician Assistants. Moreover, the profession of Physician Assistant is relatively new in Louisiana and is still building recognition among employers. Added to this is the fact that Physician Assistants in Louisiana are more restricted in

scope of practice (i.e., lack prescriptive authority). Therefore, those working in the state are underutilized and may move to other states to gain practice authority. Nevertheless, it must be recognized that Physician Assistant demand long-term is projected to be strong, and that the profession may serve as a key solution to providing access to primary care in underserved areas where the ability to attract physicians is strained.

Conclusion

The Supply and Demand Databases and Modeling Subcommittee’s research confirms that there is a real and extensive shortage of healthcare workers as quantified by the Data Matrix developed (*Appendix—Attachment 10*) by the Executive Committee. Of the Top 10 Occupations in Demand studied, “Tier One” is recommended to include Registered Nurse (RN), Licensed Practical Nurse (LPN), Radiologic Technologist (Rad Tech), Respiratory Therapist (RT), and Physical Therapist (PT), based on the shortage data. These areas are given priority in the first round of recommendations to the Legislature. Combined, these five professions comprise 83% of the job vacancies, and each has vacancy rates greater than 10%.

In terms of employment sector, hospitals account for the greatest number and percentage of healthcare employees and job vacancies.

Implications for the future should be considered if employment demand rises through 2010 as projected and the supply of graduates remains relatively static. This will exacerbate the overall gap between supply and demand that already exists.

Recommendations

DATABASE

- ☐ There is a need for a centralized point of data collection and all state agencies, licensing boards, and healthcare training providers (colleges and universities, secondary schools, proprietary schools, hospital-based programs, etc.) should be required to submit their data on a yearly basis in a common format to ensure proper tracking of supply data. The Louisiana Inter-agency Performance Data System (LIPDS) database is a resource that can be used to track outcomes of licensees and graduates.

The Subcommittee recommends other data measures that include:

- Numbers and/or percentages of completers by program;
 - Wage at employment; and
 - Retention in employment.
 - Employer job vacancies;
 - Program applicants, admissions, enrollment; and
 - The number licensed by state boards, and the number active/residing in Louisiana, full-time and part-time status, age, and training program.
- ☐ Trade associations are encouraged to work with their member entities to complete yearly employer surveys to track demand data.

MODELING

- ☐ Hire, through a consulting contact, an individual to assist with the development of the models and to provide the most accurate information on which to base decisions for future policy, legislation and funding.

While Act 157 requires the development of statistical workforce prediction models, this is a relatively complex procedure that requires expertise and more time for analysis. Therefore, for the Commission to fulfill this requirement it is necessary to hire, through a consulting contract, an individual to assist with the development of the models and to provide the most accurate information on which to base decisions for future policy, legislation and funding. This is particularly important when considering the recommendations in toto rather than on a program-by-program basis. If the Commission continues their work, then the Subcommittee will be utilized to assist with model developments, as well as data collection standards.

THE SUPPLY AND DEMAND DATABASES AND MODELING SUBCOMMITTEE**RECOMMENDATIONS**

- ☐ Develop a centralized data collection process with annual reporting requirements.
- ☐ Hire a paid consultant to assess information and develop models.

✦ ***The Education and Articulation Subcommittee***

Background

The Education and Articulation Subcommittee realized early on that meeting the legislative mandates outlined in the enabling legislation is a daunting task and one that easily could have consumed the better part of a year. The implementations of the Subcommittee's recommendations are, to a great extent, based on the allocation of scarce resources, but certainly deserving of such resources if the healthcare industry is to continue to be an underpinning of the Louisiana economy.

In the event that the Legislature should decide to fund capitation, stipend, and/or loan forgiveness programs, it is recommended that the Legislature designate a state entity to administer and manage these programs and provide funding for the staff to adequately administer and evaluate the effectiveness of the state allocations.

Recommendations

- ❑ Increase the capacity of existing education programs to maintain or increase the supply of healthcare professionals deemed necessary by the Commission in critical shortage areas where the current supply does not meet employment demand.
 - On an annual basis, the Commission should examine the need for new programs in healthcare education and/or the expansion of existing programs, integrated with the data collection efforts.
 - Develop a loan forgiveness program for healthcare professionals choosing to move from out-of-state to join the local healthcare educator workforce as faculty.
 - Initiate a capitation program similar to that successfully accomplished by the Nursing Supply and Demand Commission in the mid-1990s. Such a program would be designated for a period of years to give educational entities the ability to participate and plan appropriately.
 - Create an ongoing stipend program for graduate education to train nursing and allied health professionals to a level necessary to teach in their respective programs.
 - Develop/expand public-private partnerships between education and practice to provide needed clinical space and adjunct faculty.
 - Consider creative scheduling to expand the availability of clinical experiences (i.e., nights, weekends, evenings).
 - Update and market articulation models in education for all health professionals.
 - Strengthen Licensed Professional Nurse (LPN) programs in the state to ensure high quality and consistent graduates. Pursue national accreditation of these programs.
 - Help facilitate the articulation of university-based, two-year programs to other institutions for further study.
 - Preserve associate degree nursing programs and address/assess need for additional programs where local needs are not met by existing programs.
 - Assist in the development of appropriate programs in community and technical colleges where such programs are not available in either state or private colleges.

❑ Implement incentive programs for faculty recruitment and retention.

- Establish a stipend program for graduate education in nursing and allied health. Qualified applicants that enroll in graduate programs full-time could apply for such a stipend. The stipend would be subject to an approval and monitoring process. Recipients of this stipend would agree to work in a school (nursing or allied health) for three years for each year of funding received. Develop a plan to rotate funding between and among nursing and allied health disciplines based on established state priorities and needs.
- Maintain and expand partnerships between and among university and community public and private agencies/institutions to provide faculty and other means of support.
 - Agency²⁷ could provide qualified faculty members for joint/adjunct academic appointments to supervise students in clinical courses.
 - Agency could provide monies to the school to financially support faculty positions.
 - Agency could provide monies to the school to purchase needed equipment, which would assist in increasing enrollments.
 - Agency could provide monies to the school to be used for student scholarships.
 - Recruit cohort/groups of nurses/allied health professionals in clinical settings interested in graduate education. Develop programs to accommodate such students as a cohort group.
- Develop a consortium of educational courses among colleges and universities that would allow the transfer of course work. In addition, develop a listing of education courses based on web, distance classroom format, or workshop design that would be low cost to schools and accessible to students.
- Provide a venue for current faculty to enrich and enhance their expertise in educational techniques and strategies including tests and measurements, curriculum development, etc. Educational support is needed because most health profession clinicians are not exposed to coursework preparing them for the faculty/educator role. This would enhance performance and decrease burnout.
- Establish and support a doctoral program to prepare allied health faculty that is accessible to practitioners with a curriculum relevant to varied allied health professions. As many of the allied health professions move the entry level for practice from a baccalaureate to a Masters degree, a doctoral-prepared faculty is essential to meet regional accreditation standards for universities.
- Provide a program to honor an outstanding nursing and allied health faculty member from each educational institution.
- Address faculty salaries in the educational arena.

❑ Develop strategies to increase access of individuals to appropriate entry-level education programs.

Access to entry-level nursing and allied health educational programs is a function of both preparatory education and proximity to an institution of post-secondary education offering the desired program.

- Activate existing articulation programs in nursing, enabling individuals to advance in education and practice to their highest appropriate level. Current state law requires each post-secondary institution offering these programs to have “articulation curricula.”²⁸ All post-secondary institutions should be required to review and update the Commission on the

²⁷ “Agency” as referenced in this section would mean but not be limited to: hospitals, clinics, nursing homes, foundations, and even local governments.

²⁸ Subpart B of the Nursing Supply and Demand Commission Act, R.S. 35:1005.

status of articulation plans to ensure that the plans are fully operational and in effect. The Subcommittee also recommends that the Board of Regents urge each post-secondary institution to market these existing and/or updated plans and to implement cooperative agreements relative to articulation and educational mobility with healthcare delivery organizations.

- Develop articulation mechanisms for select allied health disciplines, enabling associate degreed allied health providers the ability to pursue advanced education at four-year institutions.
- Identify opportunity for distance learning venues (Internet, video conferencing, public television, e-learning, etc.) to increase access of place-bound students in their pursuit of education in healthcare professions. By providing strategic access, more locations around the state can be served, especially rural areas to which health profession graduates rarely return once trained in another location closer to an urban college or university.
- Develop clear criteria and expectations on transfer of equivalent coursework and credits from one institution to another, as well as, from one level of education to another.
- Recommend that the Board of Elementary and Secondary Education (BESE), the Louisiana Community and Technical College System (LCTCS), and the Board of Regents establish secondary-to-post-secondary articulation agreements based on the model used by the automotive and hospitality industries.
- Recommend that the Board of Elementary and Secondary Education (BESE) pass a resolution encouraging career and technical education within the Louisiana Department of Education to work with local school districts to study and increase the number of healthcare academies, magnet programs, and course offerings; and
 - If there are barriers such as attendance zone policies limiting the enrollment of students district-wide, that local school boards, because of the dire need of healthcare workers, suspend such policies to increase enrollment numbers.

❑ Develop recruitment and retention models for students in healthcare fields.

Recent studies illustrate how careers in healthcare have become unattractive to young people. Students have more choices of careers; in particular, women have many more options than were available to them in the past. Some perceive that work in healthcare is no longer rewarding.

- Develop work within the healthcare arena that is designed to meet patient, worker, and organizational needs and ensure that the work of caregivers and support staff is meaningful. New models of work based on worker competencies, education, and experience must also be developed.
- Develop recruitment initiatives for elementary school children and that introduce them to healthcare careers.
- Establish initiatives in conjunction with local Area Health Education Centers (AHECs) or similar community-based organizations to recruit and retain workers in healthcare.
- Develop models to assist students financially who pursue healthcare careers (i.e., scholarships, loan repayment/forgiveness, stipends).

THE EDUCATION AND ARTICULATION SUBCOMMITTEE

RECOMMENDATIONS

- ☐ Legislation and funding is necessary to establish pilot capitation and stipend programs to recruit professionals into teaching.
- ☐ Legislation and funding is needed to initiate incentive programs such as loan forgiveness to recruit out-of-state professionals.
- ☐ All post-secondary institutions should be required to review and update the Commission on the status of articulation plans to ensure that the plans are fully operational and in effect.
- ☐ Direct the Commission and agencies to work collaboratively to identify and increase opportunities for distance learning venues (Internet, video conferencing, public television, e-learning, etc.) to increase access of place-bound students in their pursuit of education in healthcare professions.
- ☐ Develop strategies to increase access of individuals to appropriate entry-level education programs.
- ☐ Develop recruitment and retention models for students in healthcare fields.

✦ ***The Image, Recruitment, Retention, and Work Design Subcommittee***

Background

The basic charge of the Image, Recruitment, Retention and Work Design Subcommittee is to develop strategies for attracting people to the healthcare field, providing quality training and education reflecting the standards of the industry, and developing solutions to retain healthcare professionals in healthcare settings in Louisiana.

Issues

Concerns over pay, work scheduling, professional stress and responsibility levels influence whether healthcare professionals choose to stay in the healthcare industry. It is not the role of the Commission to promulgate directives concerning these issues; instead, these issues need to be addressed by the healthcare industry. The Commission will serve as “conveners” to work with industry partners in seeking solutions.

It must be noted that the problem of a shortage of healthcare workers will not be solved without the application of additional resources (time, money, educational support, etc.). Adequate educational support and opportunities must exist in order to ensure an ongoing supply of healthcare workers.

In accordance with Act 157, the Subcommittee specifically addressed the items delineated within the Act that come under their purview. Listed below, are initial recommendations related to the issues that the Subcommittee believes can and should be addressed by the Commission and the State.

Recommendations

RECRUITMENT

- ☐ Develop and utilize age-appropriate and interesting information packets, presentations and videos highlighting healthcare careers and the associated educational opportunities. These should focus on two age groups—elementary and middle school.
- ☐ Develop collaborative relationships between healthcare groups and schools for the presentation and dissemination of information in schools.
- ☐ Disseminate information packets in elementary, middle, and high schools.
- ☐ Ensure that every high school student in Louisiana receives effective career counseling before graduation in accordance with Louisiana’s Career Options Law.
- ☐ Develop an information campaign to interest adults in healthcare careers.
- ☐ Provide financial support and incentives for students pursuing careers in healthcare.
- ☐ Intensify outreach to minority and non-traditional (regardless of age and gender) students to diversify the student base.

RETENTION AND WORK DESIGN

- ☐ Develop and promote voluntary standards of excellence based on the magnet hospital model.
- ☐ As an incentive for providing exceptional healthcare work environments, develop a program to recognize the “Healthcare Employer of the Year” in various segments of healthcare.
- ☐ Explore the use of child and elder care options available for healthcare workers.

IMAGE

- ☐ Develop a media campaign that creates a positive image of healthcare, healthcare professions and the people working in the industry.
- ☐ Provide the Governor’s Office of the Workforce Commission and the Health Works Commission with the ability to promote and encourage information about occupations in healthcare.

THE IMAGE, RECRUITMENT, RETENTION AND WORK DESIGN SUBCOMMITTEE

RECOMMENDATIONS

- ☐ The Commission recommends that the Department of Education be directed through legislative resolution to work with agencies partners, Area Health Education Centers (AHECs) staff and industry partners to collaboratively develop a comprehensive K-12 curriculum highlighting careers in healthcare for grades K-12 with special emphasis on elementary and middle school class work.
- ☐ Articulation agreements modeled on those used by ProStart (food service) and AYES (automotive) between secondary and post-secondary institutions and negotiated at the state level are recommended to smooth the transition for students taking part in healthcare academies or healthcare education programs at the secondary level.
- ☐ The Commission urges the Board of Elementary and Secondary Education (BESE) to pass a resolution asking that local school districts work with healthcare providers throughout the state to develop industry-education partnerships that lead to hands-on training and mentoring opportunities for students, thus giving them a realistic view of the careers available in the healthcare industry in Louisiana.
- ☐ The Commission recommends the passage of legislation to enable the Governor’s Office of the Workforce Commission and the Health Works Commission to build public awareness of the critical demand for healthcare professionals and the educational opportunities available through the use of paid and free media. The Commission also recommends an accompanying appropriation to support these public awareness efforts.



APPENDIX H:

NURSING SUPPLY AND DEMAND COMMISSION 2002 ANNUAL REPORT

Nursing Supply and Demand Commission

Annual Report 2002



INTRODUCTION

In 1991, most health care institutions were experiencing a severe shortage of individuals to provide nursing care. In response to the shortage, the Louisiana Legislature (R.S. 37:1007) established the Nursing Supply and Demand Commission (NSDC) “to study, evaluate, and report on factors which impacted the supply and demand of nursing assistants, licensed practical nurses, registered nurses, and nurse educators.” At that time, the Commission identified a need to expand the number of graduates from nursing programs and to provide an increased number of educationally prepared faculty to teach those students. As a result, during the period of 1991-1996, with the financial support of the legislature, capitation funds were established to expand clinical enrollment in Licensed Practical Nurse (LPN) and Registered Nurse (RN) programs and stipends were provided to assist nurses in gaining the additional education required to teach in a school of nursing.

As a result, a total of \$14,380,000 in capitation funding resulted in 2379 additional nurses (LPN and RN’s). Stipend funding totaled \$2,181,000 and resulted in 84 new faculty for nursing programs at the LPN and RN levels. This alleviated the shortage at that time and the Commission went into inactive status.

In 2000, Senate Resolution 41 reactivated the NSDC and directed it to study the nursing personnel shortage issues in long-term care. Their findings concluded that the nursing shortage in long-term care in Louisiana cannot be separated from the overall nursing personnel shortage, which is a national problem and is endemic in all areas of nursing. Further, the current nursing shortage will be further complicated by the implications of an aging nurse workforce. One area of particular concern related to the extreme shortage of Certified Nursing Assistants in hospitals and nursing homes. The report identified that these positions were paid only minimum wage and required people to work under extremely difficult situations with patients who require a great deal of physical care. In 2001, R.S. 37:1007 was reenacted and amended to expand membership on the Nursing Supply and Demand Commission. The Commission was reactivated to study the reemerging shortage of nursing personnel.

This Commission has studied the nature and extent of the current nursing shortage and has identified factors that contributed to its development. This is a nationwide problem and a real concern throughout the health care industry. There is an abundance of information available about the nursing shortage. The American Hospital Association (AHA), American Organization of Nurse Executives (AONE), American Nurses Association (ANA), U. S. Department of Labor, Louisiana Department of Labor, the Louisiana Hospital Association, the Louisiana State Nurses Association, the Louisiana Nursing Home Association (LNHA), Louisiana State Board of Medical Examiners (LSBME), Louisiana State Board of Nursing (LSBN), and Louisiana State Board of Practical Nurse Examiners (LSBPNE), the Louisiana Council of Administrators of Nursing Education, and the Metropolitan Hospital Council of New Orleans are just a few of the sources utilized by this commission.

The above sources validate the current nursing shortage and indicate it will continue and worsen over the next 20 years. The nursing shortage is much more acute in hospitals and nursing homes. The 2002 AHA Commission on Workforce for Hospitals and Health Systems reports that,

“89 percent of hospital CEOs are reporting significant workforce shortages with 84 percent being in the Registered Nurse job category.” The nursing shortage is particularly acute in specialty areas such as Critical Care Unit, Intensive Care Unit, Emergency Room, and Labor and Delivery. The Executive Summary of the AHA Commission on Workforce for Hospitals and Health Systems identifies “four significant demographic and societal trends, which have contributed to the problem. They are:

- The U.S. health care labor force is aging,
- There are fewer potential workers coming behind the aging “baby boomer” generation,
- Careers in health care are seen as less attractive to current students planning future careers and many in the current hospital workforce are dissatisfied with their work.

Findings from a 2001-2002 study conducted by the AONE indicate that dissatisfaction in the workplace is caused by:

- increases in overtime or double shifts,
- larger numbers of patients per nurse,
- increased turnover of staff,
- more acutely ill patients,
- decrease in amount of time the nurse can devote to each patient,
- increased concern for patient and staff safety,
- decreased quality of patient care,
- lack of respect for nurses.

In the past, when the ongoing cyclic nursing shortages occurred, the supply of nurses and nursing personnel was increased and this alleviated the problem. Today’s shortage, however, is exacerbated by an increased demand for health services required by the aging population and an increased demand for all levels of nursing personnel outside the traditional hospital and nursing home settings. In addition, the current nursing workforce is aging and many nurses are choosing to leave the workforce. These demands placed upon the available workforce impact the workplace, deepen the shortage and ultimately lead to worker dissatisfaction. Another factor impacting the problem is that efforts to increase the supply of new graduates, particularly RN’s will be greatly hampered by the current and worsening shortage of nursing faculty.

Based upon the review of available information, the Nursing Supply and Demand Commission established three committees to study the following areas of concern: education of nursing personnel and articulation between programs; workplace issues; and faculty issues. Each committee was asked to review the area of concern, identify problems, and develop short and long term strategies to alleviate the problems identified.

FINDINGS

The following specific findings are presented, followed by recommendations relative to each of the findings. The findings of the Commission focus on the importance of the health care industry to the health and welfare of the citizens of Louisiana; factors which impact the health care industry, the importance of an adequate supply of nursing personnel and the need to retain nurses in the workplace, and the need to provide adequate resources to educate nursing personnel and to recruit future health care professionals.

1. Shortage of health care professionals has a negative impact on the general health status and quality of life of all citizens of Louisiana.

- The health care industry is expected to provide a wide range of health care services to the citizens of Louisiana-both insured and uninsured.
- Nursing personnel are an essential component of the health care industry to meet health care needs of Louisiana citizens.
- Studies reveal a lack of registered nurses contributes to a failure to recognize impending complications and to initiate appropriate interventions.
- Studies reflect that nursing staffing directly affects patient outcome, for example one study reflects a significant inverse relationship between nurse staffing and post-surgical complications.

2. The health care industry represents a significant economic force within the state and local communities of Louisiana.

- Hospitals and health care agencies are major employers in Louisiana. (See Table No. 1, page 10.)
- In 1999, the health care payroll in Louisiana was 5.7 billion dollars.
- In 2001, Census Bureau data indicate that 210,000 persons were employed in the Health Care Sector in Louisiana and accounted for almost 11% of the total workforce in Louisiana.
- An educated, qualified work force is required to staff the health care agencies and to meet the health care needs of the citizens of Louisiana. (See Table No. 2, page 11)

3. Louisiana health care facilities are experiencing financial pressures that limit their ability to recruit and retain qualified personnel.

- Louisiana Medicaid cuts have reduced reimbursement to hospitals caring for growing numbers of Medicaid patients.
- Prospective payment systems continue to have a negative impact on hospital reimbursement.
- There are increased numbers of uninsured persons receiving uncompensated care from Louisiana hospitals.
- Freestanding institutions disadvantage acute care facilities.

4. There is a need to retain nurses currently employed.

- Problems in the workplace are negatively impacting recruitment and retention of all levels of nursing personnel, such as the following:
 - Mandatory overtime
 - Lack of assurance of full time pay
 - Long shifts
 - Increased patient acuity levels
 - Staffing levels
 - Patient and employee safety issues
 - Increased record keeping
 - Lack of respect for nurses
- Nurses have a wide range of employment opportunities throughout the nation resulting in Louisiana nurses seeking employment out of state.
 - In 2001, 4,480 Registered Nurses and 458 Licensed Practical Nurses sought licensure out of state compared to 804 Registered Nurses and 116 LPN's who sought licensure out of state in 1999.
 - In 2001, 813 Registered Nurses from out of state sought endorsement into Louisiana while 214 LPN's sought licensure in Louisiana.
- There is an abundance of employment opportunities for all nursing personnel outside the acute care area.

5. There is an extreme shortage of Certified Nurse Assistants in the direct care arena.

- Of the 119,541 currently certified nursing assistants in Louisiana, less than 50% are employed in the direct care arena.
- Lack of certified nurse assistants in the direct care arena can be attributed to minimum wage salaries, high patient/CNA ratio, high patient acuity, lack of transportation and lack of affordable childcare.

6. There is a need to increase funding and faculty for established nursing schools to increase enrollment.

- Schools are currently limited in the number of students that can be enrolled.
- After years of declining applicant pools , the number of applicants has begun to increase.
- Programs are having difficulty maintaining current enrollment levels with existing resources.
- In 2001, 208 qualified applicants to registered nurse programs were denied admission due to insufficient numbers of faculty, clinical facilities/sites, and classroom space and/or budget restraints.

- 186 applicants were denied in 2000 for the same reasons.
- In 2001, admissions and enrollments were essentially the same as they were in 1991 while the need for health care providers has increased.
- Schools are located geographically throughout the State and are accessible to students. (See Table No, 3, page 12.)

7. There is a critical and worsening shortage of graduate and undergraduate faculty.

- 88.1 % of faculty in RN programs is over 40 years of age and 53% of faculty in RN programs is over 50 years of age.
- 35.7% of current faculty plan to work less than 5 years
- Less than 6 % of all RN ' s in Louisiana hold the necessary credentials to teach in RN programs.
- Only 8 % of RN ' s enrolled in graduate programs in Louisiana are in the education tract.

8. There is an urgent need to increase faculty salaries in nursing schools as they are far below salaries in the practice setting based on equivalent educational preparation and experience.

- The average annual salary for a registered nurse in Louisiana in a staff nurse position in 2001 was \$42,150 (associate, diploma, or baccalaureate preparation) while the average annual salary for a faculty member (master's degree required) at instructor rank was \$36,361.
- The average annual salary for Multi-Unit Managers (20% prepared at the master's or higher) was \$63,679 while the average annual salary equivalent nurse faculty (doctoral degree required) at the professor rank was \$55,769 and at the associate professor rank was \$48,266.
- The average annual salary for Chief Nurse Executives in Louisiana in 2001 was \$95,201(47% with master's or higher) while the average annual salary for a nursing director and/or nursing dean (doctoral degree required) in Louisiana was \$78,102.
- The average salaries for Louisiana nurse faculty (minimum of master's degree required) by rank are as follows:

• Instructor	\$36,361
• Assistant Professor	\$41,266
• Associate Professor	\$48,266
• Professor	\$55,759

- The average salary for nurse practitioners prepared at the master's level in Louisiana is \$71,224.

9. Educational requirements and licensure/certification laws are in place and provide adequate assurance of minimal competency.

- The process for establishing educational and licensure requirements for the practice as a Registered Nurse is in place and adequate to assure minimal competency. (See Table No. 4, page 12.)
- The process for establishing educational and licensure requirements for the practice as a Licensed Practical Nurse is in place and adequate to assure minimal competency. (See Table No. 4, page 12.)
- The process for training and certification for nursing assistants is in place; however, is inconsistently implemented. (See Table No. 4, page 12.)

10. There is a need to address the shortage of clinical sites.

- There is a limited number of clinical sites
- As schools increase enrollment there will be increased competition for the limited clinical space.
- Health care agencies are limiting the number of students that can be on a unit or within an agency at one time.
- There are limited sites for specialty areas of practice i.e. acute pediatrics.

11. Articulation programs are currently in place in all nursing programs however, they are promoted and utilized in a limited capacity.

- Articulation allows students to enter into the next educational level without unnecessary duplication of course work.
- In 2001, 257 LPN's (2.6%) were enrolled in RN programs and 88 RN's (1%) were enrolled in a higher-level educational program
- In 2000-2001 academic year, 138 LPN's completed an RN education program and 73 registered nurses with the diploma or associate degree completed a baccalaureate degree. (*Note: data does not reflect private supported RN to BSN programs not under the jurisdiction of the Louisiana State Board of Nursing*).
- Many factors contribute to the limited utilization of articulation programs.

12. There is a need to attract more students into choosing nursing as a career.

- Women graduating from high school in the 1990's were 35% less likely to become a registered nurse compared with women graduating in the 1970's.
- Junior high and high school students need clear expectations of the educational requirements necessary to enter and complete nursing programs.
- Potential students need to see nursing as a rewarding profession.

RECOMMENDATIONS

Based upon the findings presented, the Commission makes the following recommendations. Specific strategies for implementing each of the recommendations have not been identified, but will be developed in the next phase of the Commission's efforts.

Workforce/Workplace:

- Adopt a model for predicting the number of health care workers needed in the state.
- Address workplace issues such as mandatory overtime, patient and staff safety, staffing, and quality care.
- Enhance the image of health care careers.
- Develop a recruitment plan for securing an adequate number of future health care professionals.
- Address compensation and benefit packages from the level of nursing assistant through the registered nurse in both acute and long term care facilities.
- Study and address infrastructure issues dealing with child care services and transportation particularly as it applies to the ability of nursing assistants and LPN's to maintain employment in the direct care arena.
- Establish statewide competencies for each level of nursing to optimize utilization of staff and support articulation models.
- Support new model of determining numbers and types of nursing personnel based on matching the level of nursing personnel need to provide continuity of care, improved quality outcomes and reduce patient risk.
- Develop better methodologies for measuring work and scheduling staff.
- Explore modifying work design and the environment to retain and recruit older workers.
- Improve human resources management/processes and provide training and skills development opportunities.

Financial:

- State and federal funding for care of the poor must be improved. Without a solution, adequate wages to recruit and retain health care workers cannot be achieved.
- Identify additional funding streams for nursing education.
- Explore partnerships to assist in the cost of educating health care professionals.
- Address the relationship of poor health outcomes to the economic status of the state.
- Freestanding health care facilities need scrutiny/regulation.

Education and Articulation:

- Expeditiously increase faculty salaries to make them competitive with the practice arena.
- Approve funding for additional faculty positions to increase enrollment in current nursing education programs and to enable full implementation of articulation models.

- Explore clinical practice tracks for faculty as an option to traditional tenure track employment by the educational programs.
- Identify strategies for recruitment and retention of nursing faculty.
- Promote marketing of articulation programs in an effort to educate the general population about these options and to expand enrollment in current programs.
- Provide increased access to doctoral nursing education programs to enhance the supply of qualified nurse faculty.
- Establish and/or expand collaborative agreements (i.e. joint practice agreements) with health care agencies to increase faculty availability.
- Re-activate and/or develop fast-track nurse education programs.
- Develop innovative registered nurse career progression initiatives/curricula in conjunction with nursing education and other health care organizations.
- Address issues relative to adequate clinical sites for student preparation.

SUMMARY

This interim report of the Nursing Supply and Demand Commission identifies that there is a persistent and worsening shortage of nursing personnel in Louisiana. The findings focus on the importance of an adequate supply of nursing personnel, the need to recruit and retain nurses in the workplace, the need to provide resources to enhance nursing programs and the need to recruit future health care professionals. There is a critical need to recruit and retain nurse faculty. Broad recommendations have been developed to serve as 'starting points' for the Commission in identifying further, more specific, long and short range strategies to address the areas of concern. It is essential to recognize that assuring an adequate supply of nursing personnel must be a multi-faceted effort involving all stakeholders including nursing, medicine, allied health providers, policy makers, consumers, and legislators.

REFERENCES

- American Association of Colleges of Nursing; Hallmarks of the Professional Nursing Practice Environment; Washington, D.C., 2002
- American Hospital Association, Commission on Workforce for Hospitals and Health Systems; In Our Hands: How Hospital Leaders Can Build A Thriving Workforce, April 2002
- American Organization of Nurse Executives; Nurse Week/AONE Survey of Registered Nurses, Executive Summary Report, 2002
- Joint Commission on Accreditation of Healthcare Organizations; Health Care at the Crossroads: Strategies for Addressing the Evolving Nursing Crisis, 2002
- Louisiana Council of Administrators of Nursing Education, Louisiana Nursing Faculty Fact Sheet, 2002
- Louisiana Hospital Association; Employment Demand Survey, March 1, 2002
- Louisiana Hospital Association, Hospitals and the Louisiana Economy, Executive Summary Report, 2002
- Louisiana State Board of Nursing, Annual Report, 2001
- Louisiana State Board of Practical Nurse Examiners, Annual Report, 2001
- Robert Wood Johnson Foundation; Health Care's Human Crisis: The American Nursing Shortage, Princeton, New Jersey, April 2002
- United States Department of Health and Human Services Health Resources and Services Administration Bureau of Health Professions National Center for Health Workforce Analysis; Projected Supply, Demand, and Shortages of Registered Nurses: 2000-2020, July 2002

TABLE NO. 1

<i>HEALTH CARE EMPLOYERS IN LOUISIANA</i>	
Hospitals	194
Ambulatory Surgical Centers	62
Home Health Agencies	244
Hospices	51
Long Term Care Facilities	301
Intermediate Care Facilities for Mentally Retarded	473
Mental Health Facilities	36
Substance Abuse Centers	175
Rural Health Clinics	51
End Stage Renal Disease Centers	130
Emergency Medical Services Facilities	68
TOTAL:	1,785

Note: Non-inclusive list. Other employers such as community care centers, FQACS, and physician offices employment number not available.

TABLE NO. 2

<i>INDIVIDUALS LICENSED OR CERTIFIED IN HEALTH CARE FIELDS IN LOUISIANA</i>	
Registered Nurses (2,487 Advanced Practice Registered Nurses)	43,516
Licensed Practical Nurses	20,967
Physicians	15,797
Pharmacists	4,386
Dentists	2,429
Restricted Dentist	426
Dental Hygienists	1,640
Expanded Duty Dental Assistants	1,247
Pharmacy Assistants	3,453
Physicians Assistants	226
Physical Therapists And Physical Therapy Assistants	2,198
Certified Respiratory Therapists	1,770
Registered Therapists	1,312
Psychologists	545
Optometrists	483
Podiatrists	214
Occupational Therapists	1,282
Occupational Therapist Assistants	344
Substance Abuse Counselors	566
Speech Language Pathologists	2,069
Certified Laboratory Specialists	3,660
Nursing Assistants	119,541
Laboratory Assistant	1,005
Nursing Home Administrators - Licensed In Louisiana	2,091
TOTAL:	231,167

TABLE NO. 3

<i>NUMBER OF PROGRAMS</i>	
There are currently 22 RN programs in Louisiana (1 diploma, 8 associate degrees, and 13 baccalaureates).	22
There are currently 47 LPN programs in Louisiana.	47
There are currently 75 proprietary nurse assistant training programs in Louisiana and 122 nursing homes are approved to conduct nurse assistant training programs.	75
TOTAL:	144

TABLE NO. 4

<i>EDUCATIONAL AND CREDENTIALING REQUIREMENTS FOR NURSING PERSONNEL</i>				
TYPE OF PROGRAM	DEGREE/ DIPLOMA GRANTED	NUMBER CREDIT HOURS	NUMBER CLOCK HOURS	LICENSURE/ CERTIFICATION
BS Nursing	BS	Mean 128	N/A	Licensure-RN by LSBN
AD Nursing	AD	Mean 70.75	N/A	Licensure-RN by LSBN
LPN	Diploma	N/A	1550	Licensure - LPN by LSBPNE
Nurse Assistant	Certificate	N/A	80-240	Certification - Nursing Homes; Home Care Agencies; Skilled Nursing Facilities

NURSING SUPPLY AND DEMAND COMMISSION MEMBERS

Booth, Donnie	LA Council of Administrators of Nursing Education
Bryant, Gerald	Louisiana Organization of Nurse Executives
Clark, Joe Ann, Chairman	Louisiana Alliance of Nursing Organization
Coleman, Mary Ann	LA Association of Independent Colleges & Universities
Corder, Jan	Louisiana State Nurses Association
Ferry, Oswald	Louisiana State Board of Nursing
Glaviano, Claire	Louisiana State Board of Practical Nurse Examiners
Guidry, Jimmy	Department of Health and Hospitals
Guillot, Mary Lou	Louisiana Association of Nurse Anesthetists
Kummerlowe, Harriet	LSUHSC/Healthcare Services Division
Lemoine, Carmen	Louisiana School Nurses Organization
Lowery, Sue	Louisiana Nursing Home Association
Matessino, John, Vice-Chairman	Louisiana Hospital Association
Musemeche, Richard	LA State Board of Elementary & Secondary Elementary
Nicks, Cheryl L.	New Orleans Chapter-Black Nurses Association, Inc.
Roberts, Floyd	Louisiana State Medical Society
Simon, Audrey	Louisiana Practical Nurse Association
St. Cyr, Mark	Louisiana State Medical Association
Tremblay, Larry	Louisiana State Board of Regents
Walker, Nathalie	LA Council of the Association of periOperative Registered Nurses Chapter
Wright, Cathryn	Louisiana Association of Nurse Practitioners

NURSING SUPPLY AND DEMAND COMMISSION STAFF

Faxon, Patricia	Department of Health and Hospitals
Humphrey, Deborah	Louisiana State Board of Nursing
Morris, Cynthia	Louisiana State Board of Nursing
Morvant, Barbara	Louisiana State Board of Nursing
Tate, Ellienne	Louisiana State Board of Nursing

EDUCATION/ARTICULATION COMMITTEE

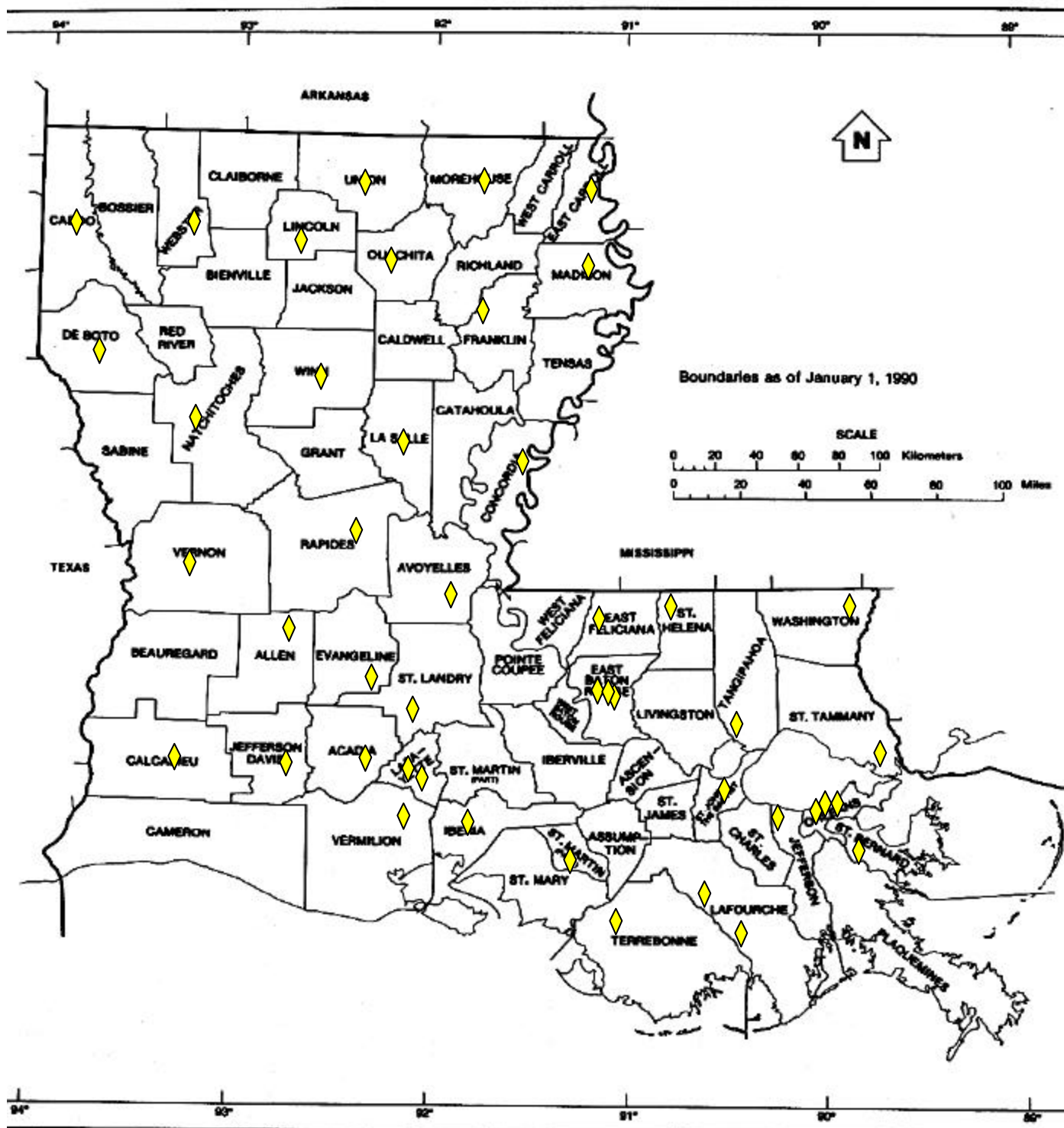
Cheramie, Myra	Louisiana Technical College
Clark, Joe Ann	Louisiana Alliance of Nursing Organization
Jan Corder, Chair	Louisiana State Nurses Association
Matessino, John	Louisiana Hospital Association
Tate, Ellienne	Louisiana State Board of Nursing
Tremblay, Larry	Louisiana State Board of Regents
Wright, Cathryn	Louisiana Association of Nurse Practitioners

FACULTY ISSUES COMMITTEE

Benoit, Heidi	LGMC LPN Program
Booth, Donnie, Chair	LA Council of Administrators of Nursing Education
deBeche, Theresa H	Louisiana State University at Eunice
Glaviano, Claire D.	LA State Board of Practical Nurse Examiners
Poirrier, Gail	University of Louisiana at Lafayette

WORKPLACE COMMITTEE

Bryant, Gerald, Chair	Louisiana Organization of Nurse Executives
Champagne, Jan	Doctor's Hospital
Guillot, Mary Lou	Louisiana Association of Nurse Anesthetists
Lemoine, Carmen	Louisiana School Nurses Organization
Planchock, Norann	Northwestern School of Nursing
Pounders, Tawna	Louisiana State Nurses Association
Roussel, Linda	Louisiana State University, School of Nursing
Simon, Audrey	Louisiana Practical Nurse Association
Smith, Darlene	Glenwood Regional Medical Center
Stewart, Melissa	Health South Rehabilitation Hospital
Tabor, Tevora S.	Louisiana Hospital Association
Van Zile, Tinker, Co-Chair	St. Francis Medical Center
Via, Debra	Glenwood Regional Medical Center
Walker, Nathalie	Association of periOperative Registered Nurse



Louisiana LPN Board Approved Schools
November 2002



APPENDIX I:

“THE IMPACT OF INNOVATION” SELECTED SLIDES

PRESENTED BY STEVEN E. MOYE
PRESIDENT AND CEO

THE LOUISIANA GENE THERAPY RESEARCH CONSORTIUM



LOUISIANA GENE THERAPY
RESEARCH CONSORTIUM



The impact of innovation

Biotechnology and the New Orleans economy

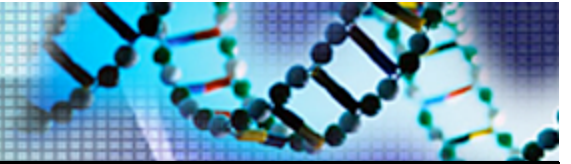
Louisiana Gene Therapy Research Consortium
1615 Poydras Street - Suite 1280
New Orleans, Louisiana 70112



Impediments to success



- Long-term commitment
- Access to talent
 - Skilled labor force - core labs
 - Skilled labor force - manufacturing
- Human capital
- Educational Issues
 - National decline in undergraduate science majors
 - Limited pool of science talent
 - Too many graduates leaving the state



Actions needed

- Solidify commitment
- Economic development incentives
 - Seed Funds
 - Additional State grants
- Educational curriculum development
 - Technician training (2 and 4 year)
 - Retrain displaced workers for biotechnology jobs
- Increase visibility of biotech initiatives



LOUISIANA GENE THERAPY
RESEARCH CONSORTIUM

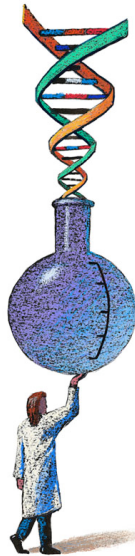
Ensure Critical Mass



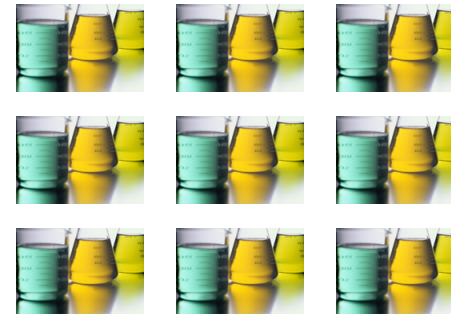
Research Labs



Clinical Manufacturing



Attracting Biotech
companies to New Orleans





APPENDIX J:

“NATIONAL AND STATE HEALTH WORKFORCE BRIEFING” SELECTED SLIDES

PRESENTED BY LYNN B. NICHOLAS, FACHE
PRESIDENT & CEO, LOUISIANA HOSPITAL ASSOCIATION
CHAIR, LOUISIANA HEALTH WORKS COMMISSION

National and State Health Workforce Briefing

*Presented to the
New Orleans Regional Task Force on
Economic Development & Health
Workforce Training*

Thursday, August 28, 2003

Presented by: Lynn B. Nicholas, FACHE

**President & CEO
Louisiana Hospital Association**

**Chair
Louisiana Health Works Commission**



1

The Economic Impact of Healthcare

**\$1.3 trillion industry in the US – represents
13% of nation's economic output**

**15% of the Louisiana workforce employed in
healthcare – highest % of workers**

**\$6.2 billion healthcare payroll accounts for
15% of total state payroll (second only to
manufacturing)**



2

Hospitals Largest Employer of High Demand Occupation

- Hospital employees account for 5% of total statewide employment
- Hospitals employ over 96,000
- 1785 total institutional healthcare employers in Louisiana
- Good jobs with good pay/benefits

Sources: Report on Hospitals and the Louisiana Economy prepared by Dr. James Richardson - May 2002 and Nursing Supply and Demand Commission – Annual Report 2002



3

The Number of New Health Workers Needed by 2010 (In Millions)

Growth between 1990 and 2000 and projected growth 2000 - 2010

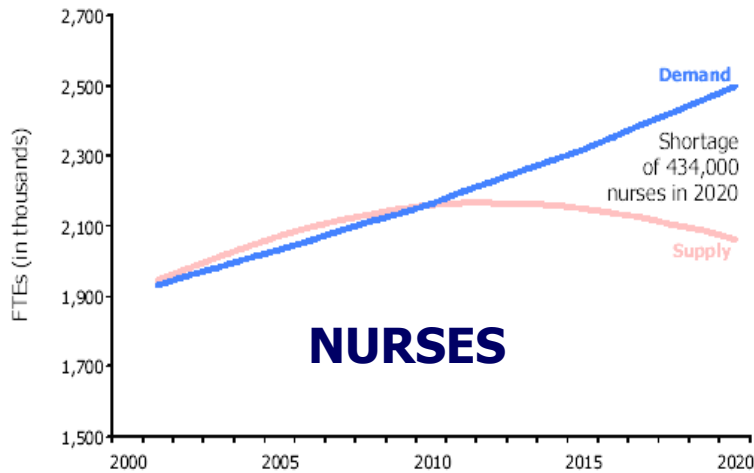
	1990 - 2000	2000 - 2010
Health care occupation	25.8%	18.7%
Non-health occupations	28.8%	14.1%

Source: AHAnews.com – May 2003



4

Supply Falling Short of Demand



Source: JAMA, June 14, 2000 Peter I. Buerhaus, PhD, RN et al



5

If Current Trends Continue, the Number of RNs Giving Up Their License Will Outnumber the Number of New Entrants

	New Entrants	Losses
1988 - 92	237,068	-30,284
1992 - 96	342,432	-23,374
1996 - 00	311,685	-17,019
2008 - 12	326,025	-240,658
2016 - 20	296,787	-312,708

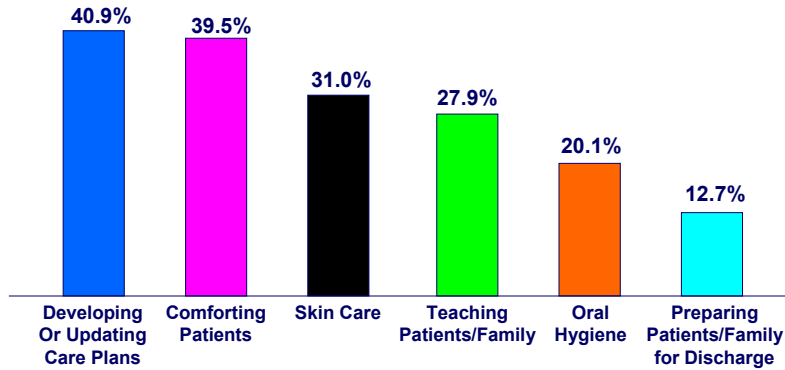
Source: AHAnews.com – May 2003



6

Patient Care Left Undone

Percentage of Nurses Reporting Nursing Care Left undone in Last Shift Worked



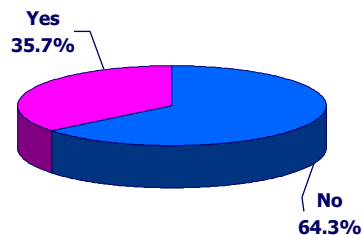
Source: Advisory Board, 2001



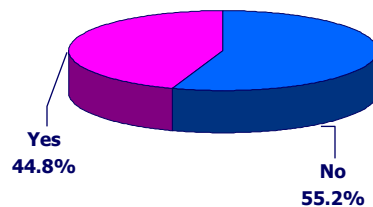
7

Nurses Acknowledge Quality Problems

Nurses Reporting "Quality of Care on My Unit is Excellent"



Nurses Reporting "Quality of Care at My Hospital Has Deteriorated in the Past Year"



Source: Advisory Board, 2001



8

Dangerous Impacts of Shortages

- 31% greater chance of dying after surgery if patients admitted to hospitals where nurse-patient ratio is greater than 1:7
- Critical care units operating with 14.6% of nursing positions unfilled
- Shortage of 1 rad tech can result in delay of diagnosis, treatment and longer hospital stay for many
- Shortages result in emergency room diverts – sacrificing valuable time and threatening recovery of seriously ill or injured



9

Impact on Business Community

- Less Healthy Workforce
- Productivity Lowered
- Higher Cost to Provide Health Insurance
- Higher Cost of Goods Sold
- Lost Opportunity for Economic Development



10

Extreme Shortage of Certified Nurse Assistants (CNA)

- Of 119,541 CNA's in Louisiana, less than 50% are employed in the direct care arena
- Reasons include:
 - Minimum wage salaries
 - High patient/CNA ratio
 - High patient acuity
 - Lack of transportation
 - Lack of affordable child care

Source: Nursing Supply and Demand Commission – Annual Report 2002



11

Aging Workforce Alarming!

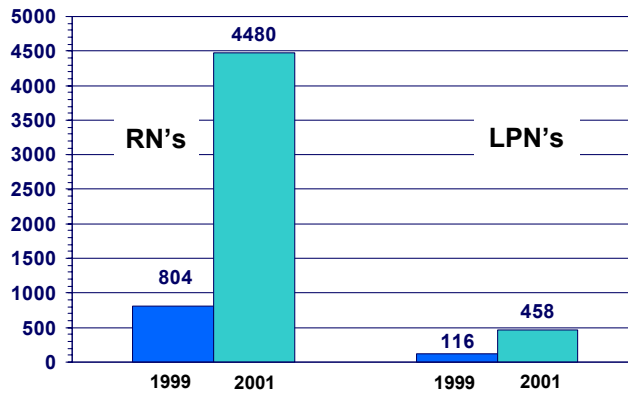
- 20,553 RN's are 40 or older (nearly 50% are nearing retirement)
- 5,100 RN's under the age of 30
- 2,200 LPN's under the age of 30
- Average age of nursing faculty - 52

Source: Report of the Louisiana Health Works Commission - March 2003



12

Louisiana Nurses Exodus LA Nurses Seeking Licensure Out of State

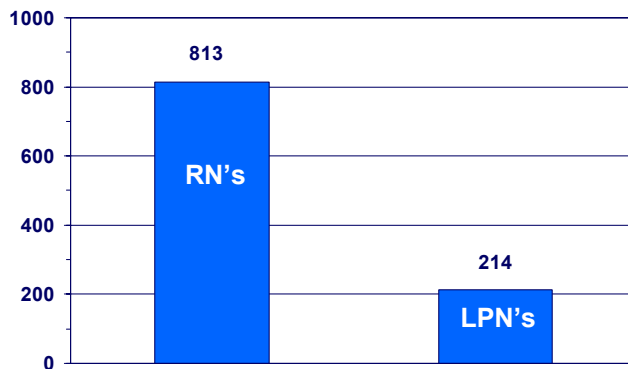


Source: Nursing Supply and Demand Commission – Annual Report 2002



13

While Few Nurses Sought to Enter Louisiana - 2001

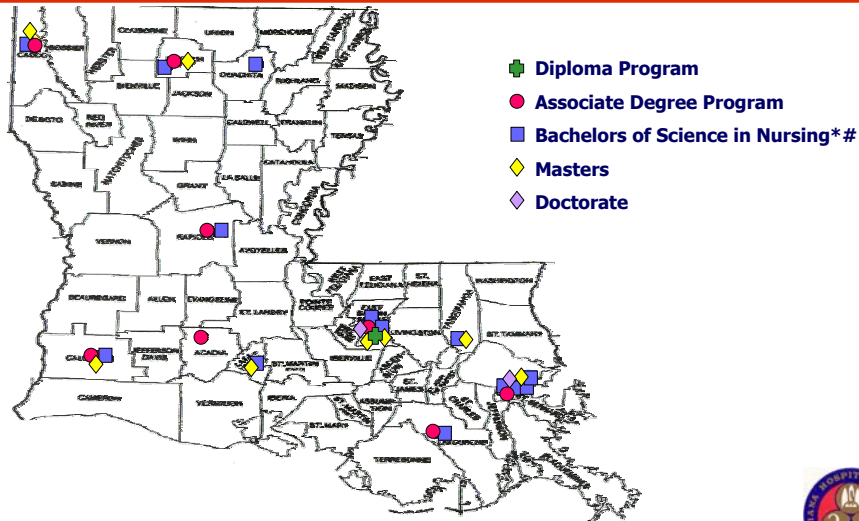


Source: Nursing Supply and Demand Commission – Annual Report 2002



14

RN Education Opportunities in Louisiana – November 2002



Source: Nursing Supply and Demand Commission – Annual Report 2002



15

Louisiana RN Applicants Turned Away Due to Program Capacity Limitations

186 qualified applicants denied admission in 2000

208 qualified applicants denied admission in 2001

- Insufficient faculty
- Insufficient clinical facilities/sites
- Budget restraints
- Inadequate classroom space

Source: Nursing Supply and Demand Commission – Annual Report 2002



16

Faculty Shortage at Graduate & Undergraduate Level Critical & Worsening

- 88.1% of faculty in RN programs is over 40 years of age and 53% of faculty in RN programs is over 50 years of age
- 35.7% of current faculty plan to work less than 5 years
- Less than 6% of all RN's in Louisiana hold the necessary credentials to teach in RN programs
- Only 8% of RN's enrolled in graduate programs in Louisiana are in the education tract

Source: Nursing Supply and Demand Commission – Annual Report 2002



17

Average Salary for Louisiana Nurse Faculty (minimum of Masters degree required)

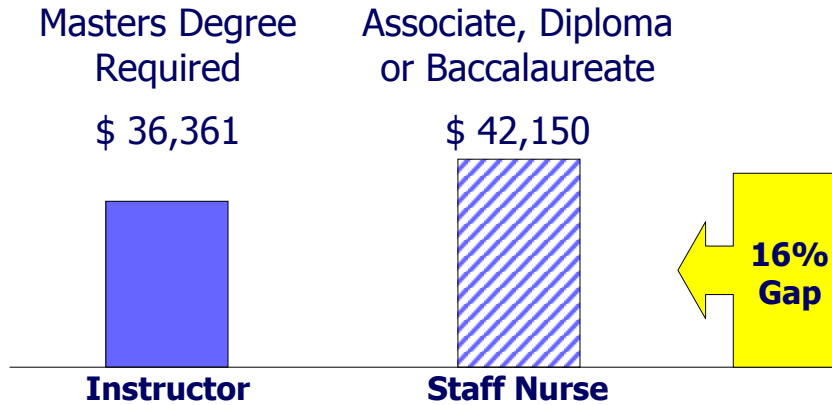
Instructor	\$36,361
Assistant Professor	\$41,266
Associate Professor	\$48,266
Professor	\$55,759

Source: Nursing Supply and Demand Commission – Annual Report 2002



18

Instructor versus Staff Nurse Salary in 2001

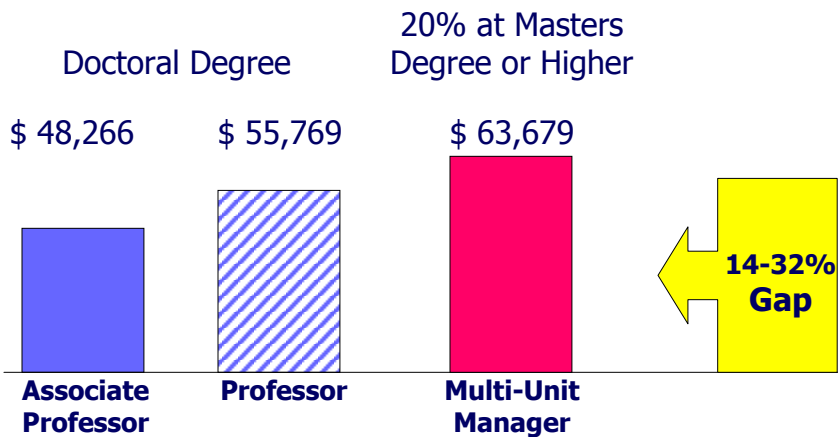


Source: Nursing Supply and Demand Commission – Annual Report 2002



19

Professor versus Multi-Unit Manager Salary in 2001

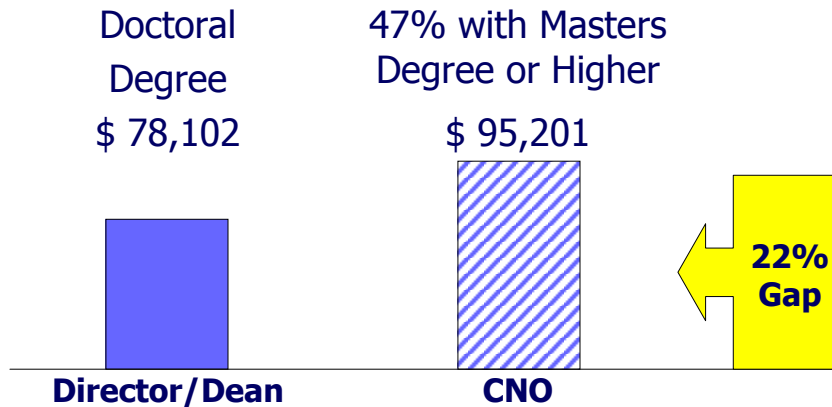


Source: Nursing Supply and Demand Commission – Annual Report 2002



20

Dean versus Chief Nursing Executive Salary in 2001



Source: Nursing Supply and Demand Commission – Annual Report 2002



21

Shortage of Clinical Sites Significant

- There is a limited number of clinical sites
- As schools increase enrollment there will be increased competition for the limited clinical space
- Health care agencies are limiting the number of students that can be on a unit or within an agency at one time
- There are limited sites for specialty areas of practice i.e. acute pediatrics

Source: Nursing Supply and Demand Commission – Annual Report 2002



22

Easy Articulation is Key to Advanced Training of Nurses & Allied Professionals

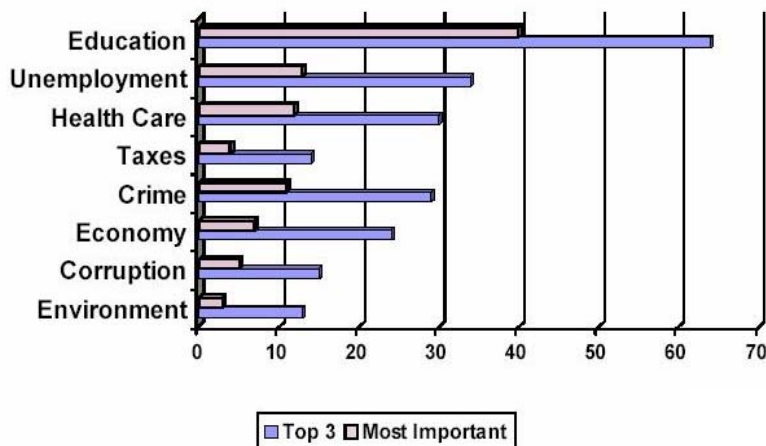
- Articulation allows students to enter the next educational level without unnecessary duplication of work
 - Process exist, but
 - Not flexible enough
 - Not promoted to students
 - Underutilized
- In 2001 only 2.6% of LPN's (257) were enrolled in RN programs
- Only 1% of RN's (88) were enrolled in a higher education program

Source: Nursing Supply and Demand Commission – Annual Report 2002



23

The Most Important Problems Facing the State of Louisiana



Source: The 2003 Louisiana Survey, August 15, 2003, <http://www.survey.lsu.edu>

24



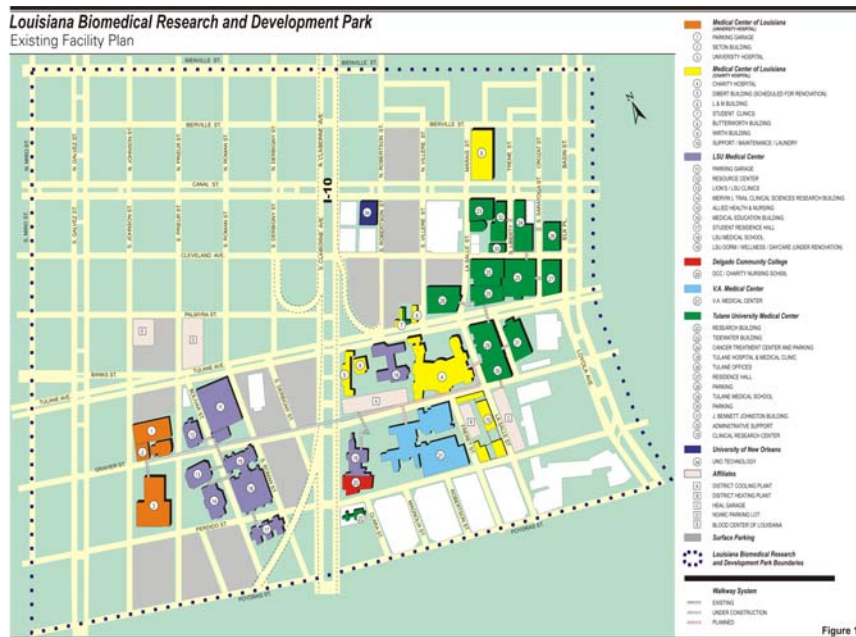
APPENDIX K:

“OVERVIEW OF DOWNTOWN NEW ORLEANS DEVELOPMENTS AND ALLIED HEALTH WORKFORCE ”

PRESENTED BY JAMES M. CAIRO, PH.D.
INTERIM DEAN OF THE SCHOOL OF ALLIED HEALTH,
LSU HEALTH SCIENCES CENTER – NEW ORLEANS

New Orleans Biomedical Research & Development Park

- Created by LA Legislature in 2001
- Establishes a Virtual Technology Park
- Allows for concentrated, targeted Incentives
- Builds on Research Institutions: LSUHSC, TUHSC, VA, Charity
- Anchored by The BioInnovation Center



Louisiana Biomedical Research and Development Park Proposed Facility Plan



Figure 2

Louisiana Biomedical Research and Development Park Future Development Plan



Figure 3

The New Orleans BioInnovation Center

- Home for Start Up Companies & Entrepreneurs**
- Small Modular Wet Labs Spaces**
- Easily Accessible to Area Scientists and Facilities**
- Gene Therapy Research Consortium “GMP” Lab**
- Jointly operated by LSUHSC & Tulane University**
- Phase 1 Scheduled for Completion December 2003**



APPENDIX L:

REGIONAL HEALTHCARE EDUCATION PROGRAMS
SUPPLY INVENTORY

OCTOBER 2003

STRENGTHENING AND EXPANDING THE HEALTHCARE WORKFORCE AND ENVIRONMENT
IN THE NEW ORLEANS REGION

APPENDIX L



Regional Healthcare Education Programs Supply Inventory*

(October 2003)

Healthcare Professions (SR 114 Demand Matrix)	Delgado	LSU Health Sciences	Nicholls State Univ.	LA Tech. College** (campuses)	Holy Cross***	Nunez	UNO	Other Schools
NURSING:								
Certified Nursing Assistant (CNA)	X			6		X		
LPN	X			7		X		
Registered Nurse (RN)	X	X	X		X			Dillard, Southeastern William Carey Tulane/OLOL
Nurse Anesthetist (CRNA)		X						
RADIOLOGY/IMAGING:								
Rad Tech (x-ray)	X				X			North Oaks
Ultrasonographer	X				X			
MRI Tech								
CT Tech								
PHARMACY:								
Pharmacist								Xavier Univ.
Pharmacy Tech	X							
LAB:								
Medical Technologist		X						
Medical Lab Tech	X							
THERAPY:								
Respiratory Therapist	X	X	X		X			
Respiratory Tech			X	1				
Physical Therapist (PT)		X						
PT Assistant	X							
OTHER AREAS:								
Surgical Tech	X			1				
Coder							X	
Transcriptionist							X	
Medical Records Tech								
TOTAL PROGRAMS:	10	5	3	15	4	2	2	

* The programs listed only reflect those included from the SR 114 Demand Matrix. Some colleges listed offer additional health programs not included here.

** LTC campuses: Hammond, Jefferson, Lafourche, River Parishes, Slidell, Sullivan, West Jefferson & West Side. Surgical Technician program is collaborative with Nicholls.

*** Allied Health programs collaborative with Ochsner Clinic Foundation.



APPENDIX M:

BIOTECHNOLOGY / BIOMEDICAL INDUSTRY WORKFORCE DEMAND

INITIAL SURVEY

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Biotechnology / Biomedical Industry Workforce Demand*

(Initial surveys - Fall 2003, provided by Greater New Orleans, Inc.)

Company Survey Feedback			
Positions Within Companies	Current & Projected Employment	Skilled Employees Currently Available	Training Programs Utilized
<ul style="list-style-type: none"> ➤ Chemists ➤ Biochemists ➤ Microbiologists ➤ Engineers ➤ High #s of Laboratory Technicians and Pharmaceutical Equipment Operators 	<p>Current: 15</p> <p>1 year: 60</p> <p>w/commencement of manufacturing operations</p> <p>3 years: 80</p> <p>5 years: 100</p>	<p>Yes – all scientific personnel hired in La.</p>	<p>Shreveport CC has program for lab techs which will service lab and manufacturing hiring needs of this company.</p>
<ul style="list-style-type: none"> ➤ Registered Dieticians ➤ Business Personnel ➤ Pharmacists ➤ FDA Regulatory Personnel 	<p>Current: 2 Dieticians / 2 Pharmacists – total La. workforce of 60</p> <p>1 year: 80 employees</p> <p>3 years: 100+ employees – 8-10 Dieticians; 1-2 Nurses to assist in Clinical Trials</p> <p>5 years: 150 La. employees – 10-15 Dieticians; 3-4 RNs</p>	<p>Yes – no problems to date</p>	<p>Registered Dieticians from LSU HSC and Tulane</p>
<p>Business Expertise:</p> <ul style="list-style-type: none"> ➤ Scientific Project Leader ➤ Biomedical Sciences Technical Staff <p>(2 Ph.D. level scientists and 2-4 employees w/BS in sciences)</p>	<p>Current: 1 employee with investment, the company would like to bring on 5 employees/year</p>	<p>Technical Scientific expertise is lacking in area workforce</p>	<p>Training Programs are NOT currently in place – a Biotechnology Vocational Program is needed</p>

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<ul style="list-style-type: none"> ➤ Admin Asst ➤ Laboratory Technician (biomedical) <p>Owner currently performs all company operations</p>	<p>Current: 1 employee (owner)</p> <p>1 year: 1 biomedical research technician</p> <p>3 years: 3-5 biomed research technicians 1 administrative asst.</p> <p>5 years: 5-8 biomed research technicians 1 additional admin asst.</p>	<p>Small pool of qualified individuals from Tulane and LSUHSC –expansion of this pool would lead to higher caliber and volume of potential biomedical tech. hires. Skills req'd. are expertise in molecular biology and recombinant DNA technologies</p>	<p>Aforementioned LSU HSC and Tulane training prepares graduates for academic positions more than work with private sector biotech companies – there are currently no training programs in place for this type of work.</p>
<ul style="list-style-type: none"> ➤ Owner is currently sole employee ➤ Future hires would have biochemistry training 	<p>Unsure of future workforce demand</p>	<p>A handful of people currently looking for work in this sector – but there is not an adequate supply for high increase in demand for biochemists</p>	<p>LSU HSC and Tulane produce graduates but many lack English skills</p>
<ul style="list-style-type: none"> ➤ Clinical Research Coordinators 	<p>Current: 2 Clinical Research Coordinators</p> <p>1 year: will hire 0-1 more</p> <p>3 years: 2 additional</p> <p>5 years: 2 additional</p>	<p>Experienced professionals for these positions are in short supply – on the job training is the norm – attention to detail and autonomy are important characteristics for this position</p>	<p>Currently a few training seminars available for this profession, but no ongoing, organized programs – a semester-long course at a local university to train and certify coordinators is needed</p>

** The names of the companies responding to this survey are anonymous. Out of 15 area biotechnology/biomedical companies surveyed, located primarily in the Orleans and Jefferson Parishes, ten responded to this survey, 3 indicated that it did not pertain to their company or operations and did not complete the survey.*

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Louisiana State University Health Sciences Center

As one of the key entities currently driving biotechnology/biomedical growth in our region, the survey information completed by LSU HSC is as follows.

Position	Current and Projected Employment	Skilled Employees Currently Available	Training Programs Utilized
Core Labs and Various Other Departments			
Manager	Current: none In 1-5 years: 1	LA resident or national scientist	A college graduate, PhD or MS with 5 yrs experience and business training. Noted that graduates from UNO, LSU, Tulane are trained in academia so they need more experience in Biotechnology and business to be successful.
Associate Manager	Current: 1 In 1-5 years: 1	LA resident available but in short supply	Same as above.
Assistant Manager	Current: 2 In 3 years: 1 more In 5 years: 1 more	LA graduates are available but in short supply.	B.S. in Chemistry or Biology from various colleges such as UNO, LSU, Tulane. Graduates still lack the experience in Biotechnology and business. Some companies provide training sessions to customers. We have in house training.
Medical Specialists	Current: 6 In 1 year: 2 more In 3 years: 3 additional In 5 years: 4 additional	LA residents available	B.S. in Chemistry, Biology or science related discipline. Still need hands-on training in core lab work.

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Administrative Specialist	Current: 1 In 1-5 years: 1 additional	LA residents available but need more training.	Associate Degree from vocational, community, or technical colleges such as Delgado. Specialized training on the job to be familiar with the Biotechnology operations and terminologies.
Shipping Clerk	Current: 1 In 1-5 years: 1 more	LA residents available. Relatively large pool of workforce.	Bachelor's in any field – to be trained in the operation.
Student Workers	Current: 5 In 1-5 years: Variable	Large pool of college students	Students attending various colleges in the city. Provide them with extensive training to adapt to Biotechnology's specialized procedures.
Research Associates	Current: 15 In 1-5 years: 2 to 3 times the number.	LA residents and national research associates are available.	Minimum of Bachelor's degree in Basic or Health Science discipline plus years of experience depending on level required.
Lab. Stockroom Coordinator	Current: 1	LA residents available	2 years journeyman experience in stock room related activities.
Laboratory Technician	Current: 1	LA residents available	Completion of training program or associate's degree in appropriate field.
Lab. Tech. Assistant	Current: 2	LA residents available	1-year experience as laboratory assistant.

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Gene Therapy			
Physician Researchers PhD. Researchers Postdoctoral researchers Research Technicians Administrative /budgetary staff Student Workers	<p>Current: 2</p> <p>Current: 5</p> <p>Current: 13</p> <p>Current: 24</p> <p>Current: 4</p> <p>Current: 4</p> <p>In 3 years will increase by 25%. In 5 years will increase by 50%.</p>	<p>LA residents and national researchers are available but scarce in the New Orleans area and difficult to recruit to NO area.</p> <p>LA residents are widely available for administrative staff and student worker positions.</p>	<p>Physician, PhD and postdoc researchers must possess PhD, MD, or equivalent doctorate in a basic or health sciences. Depending on level experience in relevant field may/may not be required.</p> <p>Research Technicians - Minimum of Bachelor's degree in Basic or Health Science discipline plus years of experience depending on level required.</p> <p>Administrative positions – depends on level in which position will be filled at – some require Bachelors, others Associates degree or years of relevant experience.</p> <p>Student Workers – students attending area colleges full time are qualified.</p>

The LSU HSC Human Resources department also reports that skilled PhD researchers are difficult to recruit to the GNO area and the local pool of skilled technical workers is small. They report that while traditional laboratory and academic training is currently provided through various programs offered in colleges, more training needs to be focused on Biotechnology (for research related departments) and Business (core laboratory – needs both biotechnology and business). Most of the specialized training is performed in house once an employee is hired.

They also note that while there are PhD programs available at LSUHSC and Tulane, the output is low and few graduates remain in New Orleans. There are no training programs for research technicians or molecular biologists – most technical training programs are oriented to clinical or hospital laboratory work.

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LSU HSC reports that they would like to see more specialized training in biotechnology and that more emphasis needs to be placed on research work, microbiology, molecular biology, and immunology.

The Louisiana Gene Therapy Research Consortium and The Louisiana Cancer Research Consortium

The Louisiana Gene Therapy Research Consortium, headquartered in New Orleans and funded in 2000 through a \$45 million commitment by the State of Louisiana appropriations, is a key entity which will set benchmarks for high wage, high skill jobs within research and skilled production/manufacturing in our area. The Consortium will also potentially serve as a hook, or motivational factor, for biotechnology and/or biomedical companies, drawn by the presence of Consortium-driven Research Laboratories and Clinical Manufacturing, to locate to our geographic area.

Gene therapy is defined as treating disease by replacing, modifying or supplementing non-functional genes and cells. The consortium is currently operating mainly in the areas of research and development ongoing at the facilities of the consortium partners, Tulane Health Sciences Center and LSU HSC at New Orleans and Shreveport. The 25,000 foot manufacturing and productions facility of the consortium, to be completed by Winter 2006, will focus on the areas of stem cell and vector production as well as DNA Plasmid Production. Jobs at the manufacturing facility will be concentrated in the areas of managers (5 jobs) with median salaries at \$75,000; production technicians (16 jobs) at median salary \$40,000; and Quality Control (7 jobs) at median salary \$40,000. In total, 36 direct jobs will be created at the clinical manufacturing facility; management staff is in place at present and 50% of Production and Quality Control will be in place by Summer 2005. These jobs will require on-the-job related experience in core labs and/or manufacturing, generally 2-4 years for technicians and roughly 5 years for managers; as well as, in many cases, 2 year degrees for technicians in fields such as chemistry, instrumentation, equipment maintenance or microbiology; and BS degrees for managers in fields such as chemistry, microbiology or other scientific disciplines. Access to this qualified workforce in our area will be a primary challenge for this organization as well as other companies within this field that will potentially locate here.

The consortium has created already 138 indirect jobs at LSUHSC New Orleans and Shreveport; and Tulane, through funding for research and development. These jobs will be spread amongst faculty, post-doctorates, research associates, technicians, students and administrative support and consortium staff. To date, \$35 million has been awarded and \$58 million in grant dollars are pending for the research that will be conducted at Tulane and LSU HSC. In the past 3 years, these grants have funded 22 gene therapy research projects, 19 pre-clinical trials, 4 patent applications and 1 start-up company.

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The Louisiana Cancer Research Consortium is another joint consortium project involving LSU HSC at New Orleans and Tulane Health Sciences Center. Over 600 people will be involved in the Cancer Research Consortium. Their focus lies in conducting biomedical research and promoting education in the diagnosis, detection and treatment of cancer. They are currently pursuing National Cancer Institute designation which is the highest standard in cancer research. In December 2003, the Consortium broke ground for the 150,000 square foot, \$50 million facility which will house Consortium operations. By serving as a platform for development of new anti-cancer drugs emerging from Tulane and LSU programs, and through acquiring drugs from other universities and pharmaceutical companies, to produce them here, the Consortium expects to have a huge economic impact through dramatically increasing licensing fees to 40-200 times their current value; increasing milestone payments to 10-200 times their current value and increasing net sales royalties by 10-15% of their current value.

To maximize the potential of the Consortiums and the direct and indirect impact that they will have on quality job creation within the Greater New Orleans area, we strongly recommend a commitment by the State of Louisiana and the Louisiana Community and Technical College System, to study, in conjunction with the Consortium and other industry partners, and develop curriculum around technician and managerial training for this industry.

Case Study Precedent: The North Carolina Biotechnology Association

Program Statistics

- Established 1981 – Program Start-Up 1983
- 140 Companies - \$2.5 billion in revenues
- 2002 Association Budget - \$8.2 million
- State Funding - \$4.2 million
- Industry employs 17,000 / generates \$850 million in payroll
- Contributes over \$100 million in tax revenue to North Carolina

Industry Statistics

- Doubled product sales since 1996
- Doubled total revenues since 1996
- Patents/year: 4,600 in 1996 / 14,000 in 2000
- New Drug Approvals: 32/year
- Average Salary/North Carolina employee: \$50,000

Source: Greater New Orleans, Inc.